



# A Smarter Marketing Strategy

Moving sales forward requires an integrated marketing strategy.

By Marc Trezza

**V**ery few companies market their services well. Most fail to distinguish marketing from sales, and their marketing initiatives fail to support, reinforce or enhance each other. Poorly executed marketing programs can't separate you from the pack, never mind from your toughest competitors. Your money will disappear into a black hole with no real monitoring of results, no executable action plan and no way to fix the problem.

This is one of the most common agency dilemmas, but rather than fix the problem, agencies usually find themselves trying to "sell harder." If we remember the oft-repeated definition of insanity—doing the same thing over and over and expecting a different result—then obviously this problem needs to be attacked in a completely different way.

Salesmanship doesn't follow marketing—it comes first. If making the sale is the last part of your process, then your entire process is backwards. Nothing happens until someone sells something. Achieving the sale must be at the outset of all elements of planning and executing the integrated marketing process. In the collection industry, that means getting appointments.

Take a different approach to marketing. Start with your objectives and reverse-engineer the process. Don't set the budget first, but rather create the budget to fund the plan. And, finally, make your plan measurable so you can accurately assess your level of success.

Ask yourself the following questions:

1. Exactly how do my marketing efforts distinguish me from the best of my competition in the minds of prospective decision makers?

2. Are our marketing efforts fully integrated with operations, sales and client service? Do they support and reinforce one another?
3. How many clients can I point to and identify the clear connection between my marketing efforts and the sale?
4. Is our sales force professionally trained? If so, how and by who? How do they compare to the best in the industry? How do I know? Do I know exactly what my salesforce does and says at all times? Is it consistent with our message? What is our message?
5. What is the return on our marketing investment? Is the money we spend getting results? How do I know?
6. How many sales a year do we *not* get, because our efforts were less than the best?

With the answers to these questions in mind, identify and develop original initiatives that will command the attention of your target market. Then integrate all of the elements of your marketing program—everything must

work together to drive sales. Do not continue engaging in any marketing initiatives that fail to produce a positive return on the money invested. And don't be afraid to be different. Keep in mind one of Trezza's Laws: If it does not separate you from the pack, it is devoid of innovative thinking.

Don't think in terms of doing one thing at a time. Instead, concentrate on a simultaneous, multi-prong attack. Be persistent, relentless, inventive, counter-intuitive, challenging, strategic and tactical. Don't accept any marketing maxim or "generally accepted wisdom" until you have proven that it works for your agency.

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## Principles for Effective Marketing Strategies and Tactics

### Effective Marketing Strategies

A few principles to keep in mind regarding effective marketing strategies:

- Your marketing efforts are in total alignment with your company's growth, profit and value-building objectives.
- You are clear about your unique selling proposition. You can stand for one primary thing. You must avoid confusing your prospective clients.
- You know what it will take to reach your broadest possible audience for your services.
- Qualified prospects will find your offer nearly impossible to resist.

### Effective Marketing Tactics

When developing effective marketing tactics, you must:

- Be able to describe the value of what you are selling in a single sentence.
- Differentiate what you are selling from your competition in such a powerful way that hiring anyone else's service will strike the prospect as foolish.
- Determine the best prospects to sell to (think collection scoring).
- Have a well-defined, organized, manageable system in place that enables you to sell efficiently.
- Capture and qualify leads—this process must be extremely well organized, tracked and managed.
- Know exactly how you will follow-up and then hyper-qualify those leads.
- Be aggressive about not working prospects that do not have a likelihood of close. To do that, you must have a proper qualifying process and requirements regarding the number of brand new qualified prospects each salesperson puts into the system every month.
- Cross-sell your services to customers and prospects
- Grow your business so it snowballs—so that sales leads turn into sales (viral marketing).

direct mail and public relations—those are only tools. Marketing is about growing your business, revenues, profit and valuation.

### Acid Test

Perform a simple cost-benefit analysis to determine whether your marketing generates more revenue than it costs to produce:

- Do you rely on a brochure? If yes:
  1. What makes it different from the rest?
  2. Do people read it? How do you know?
  3. When was the last time someone said they were impressed by it?
  4. When was the last time someone hired you because of it?
  5. Can you track a single successful sale to your brochure? If no, why not?
- Do you rely on a Web site? If yes:
  1. Do people visit your Web site? How many?
  2. Do those visits lead to sales?
  3. Do you have a Web strategy?
  4. Is your site a call to action or just a brochure?
  5. Does your site have valuable content or just bells and whistles?

The only two meaningful measures of return are placement volume from new clients and expanded business from current clients.

### The Sales Connection

Although they are distinctly different, sales and marketing are inextricably intertwined. If you have a quality service but aren't getting the revenues you expect, even though your marketing is integrated, make sure your sales force can sell.

Remember another of Trezza's Laws: You can't put a good blade on bad steel. In other words, you cannot turn a non-salesperson into a real salesperson, and you cannot stop a real salesperson from selling.

Every agency needs real salespeople—real professionals in the marketing mix to close deals. Unhappy agencies find themselves pressuring, cajoling, pleading, threatening or turning over salespeople because they engage in a process that just isn't professional—no matter how professionally they may run the collection floor. Unfortunately, there is usually a huge disparity between the quality of collection management and the quality of sales management.

Usually:

1. The salespeople are not properly trained (sorry, but Dale Carnegie just doesn't count).
2. Management goals and expectations have nothing to do with the realities of the marketplace
3. The salespeople are not properly managed or supported.
4. The agency spends money on the wrong things
5. The agency focuses on end-results instead of the process that gets you there, so the end-results consistently do not meet expectations.
6. The agency hires the wrong people.

Everything your salesforce does and says must reinforce your marketing message and materials—and vice versa. The purpose of your marketing efforts must be to facilitate getting appointments with prospects. Getting your name out there should not be the objective of marketing. It may be a tangential benefit, yes, but the goal should be getting appointments. Your marketing plan must be focused on decision makers and their decision-making process. If it does not accomplish that, immediately attack the problem and figure out why—you may need to reevaluate and change gears.

### Training

Training is essential. Salespeople must be trained how to conduct

complex business-to-business sales in the collection industry. Agency salespeople are constantly ambushed by their own failure to understand our industry. Those that do understand it experience exponential organic growth. The others find themselves falling into the same traps over and over as the result of their conventional thinking.

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### Unconventional Thinking

Conventional thinking leads many agencies to believe they just need to “sell harder.” Agencies place pressure on salespeople to succeed with an approach that is a proven failure, rather than adjust their approach. This falls under our previous definition of insanity. Avoid the three traps of conventional thinking.

**The assumption trap:** This is the first trap of conventional thinking.

- It assumes that the prospect understands how agencies work.
- It assumes that you understand the prospect's selection process, perception of risk, priorities and belief system regarding why agency relationships fail.
- It assumes that prospects have a clear understanding of their own needs and their own problems.

- It assumes the prospects have an effective evaluation system in terms of finding solutions.

**The adversarial trap:** Focusing on the agency creates the deadly adversarial trap. Focusing on what the agency can do or offer, as opposed to true consultative selling up-front sets the salesperson up for failure. Conventional thinking has the salesperson making assumptions and talking about the agency and even trying to “sell” a prospect the first time they meet, causing an adversarial relationship. Most creditors aren't just turned off by this, they are insulted—and rightly so.

The schism created by this trap causes prospects to adopt protective, defensive behaviors when dealing with agency salespeople.

**The presentation trap:** The assumption trap and the adversarial trap lead to the presentation trap. This is where the salesperson builds a presentation around assumptions about the prospect's real needs, perceptions, beliefs and experiences. This focuses the presentation on the agency rather than the prospect and is a fatal mistake. It turns the presentation into a dice throw rather than a client-focused, solutions-oriented presentation that tracks directly along with what the creditor likes and wants. This creates a major disconnect between the prospect and solutions. When your focus is on the agency, the agency loses. Period.

### Better Sales Force, Better Results

You have to start with the right people doing the right things. Salespeople find, develop and close deals. They are not order-takers and they are not customer service reps. “Sales” is not the ability to make a pleasant presentation or have a good meeting. Salespeople are:

1. Not afraid to prospect. Top

salespeople love to prospect and never stop.

2. Eager to understand the prospect and the key elements that will lead to a successful sale.
3. Passionate for what they do.
4. Not afraid of rejection.
5. Not prone to taking rejection personally, except as a motivator.
6. A bulldog with an insatiable desire to be the best.

Replace mediocre salespeople with pros to improve company's growth. Weak salespeople do not build your business. If you have people who, after receiving proper training, cannot sell your business, you must fire them or move them into customer service. It's unpleasant, but must be done if you are serious about growing your business.

Hire good salespeople and provide them with first-class collection sales training, first-class sales management, tools and support. Don't assume that because your salesperson has prior collection sales experience that he or she is any good. This is one of the worst mistakes agencies make. Since creditors repeatedly complain that the quality of our salespeople is abysmal, it is highly likely that all you have bought is a lot of bad habits and burnt bridges. Some of the worst salespeople have been kicking around the industry for decades.

### Marketing Messages

Once you have the right people doing the right things, you need to supply them with the right messages. When developing marketing messages, ask yourself:

- How are you different from your competition? When you think about this, think about what your competitors say to their prospects. How is what you say different? Creditors say that 90 percent of the industry's salespeople all have the same "canned pitch," and they are sick and tired of it.

- What specific benefits do the differences represent for the creditor?

You must determine how each part of the marketing program is cost-justified, and you have to think through what you want to accomplish and how that will distinguish you from the competition before you spend money. The mission must shift from an exercise of creating a "slicker

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something" than your competition to creating a powerful marketing tool that drives sales. Your focus must move from "bragging rights" to the needs of the battlefield.

Your marketing materials should create demand, command attention, build your brand, drive buyer behavior and get in sync with creditors' agency-selection processes. Too often, an agency's marketing plan doesn't work because it looks like everybody else's. Therefore, one of your first objectives is differentiation.

Develop a strategy for winning new clients based on a one-sentence value proposition of your services. Your proposition must distinguish you from your competition and indicate what you stand for, why you are different and why the prospect will be better off with your firm. This central message

will help your salespeople lead with your strongest selling point and stay focused on it.

For example, for a commercial agency with a small business niche market they wanted to dominate: "We are small business experts who know how to maximize your cash flow while keeping your valuable customers."

Communicate your value proposition in every way you can. Your prospect must fall in love with your service. Make them believe they can't live without it. You must:

- Eliminate the perception of risk (agency change is scary for most buyers).
- Demonstrate positive value.
- Distinguish yourself from the pack.
- Hit their hot buttons.
- Overcome objections in a non-threatening way.
- Identify obstacles and opportunities, such as politics, fear, perception of need, unscrupulous competitors, fees, etc.

If your sales value proposition does not demonstrate clear, definable value for the prospect that the prospect will understand and embrace, you will not advance. You will not get the appointment, which means that you will not make the sale.

### Picking the Low Hanging Fruit

If you have limited dollars to invest in new sales and marketing efforts, pick the low hanging fruit by selling more to people who already have a relationship with you. There are a number of ways to do this:

1. Improve your process. Business discipline may mean getting back to blocking and tackling fundamentals. Focusing on basics helps prevent costly sloppy mistakes. Does sales management measure up to the same quality process, training and monitoring as your collection management? Are there adequate checks and balances?

2. Add services that no one else offers.
3. Add features that no one else has. This is difficult and all the more important because most agencies basically have the same things to offer.
4. Improve cross-selling. Clients are always your best source of new business—whether it's through increased volume, new categories of business, new opportunities within the client's organization or assertively getting and leveraging references.

When agencies fail to effectively cross-sell, it's generally because they either don't have happy clients or they are just not focused on it. This is strange but true. Even though they know that it's easier to sell to existing customers, rarely is there an aggressive, organized, integrated campaign to aggressively pursue new and/or expanded opportunities within client organizations. Some agency owners may tell their salespeople it's too pushy. This is lunacy. If a client is happy, how can you not seek additional ways to provide them with help? Some worry that it's not professional, but exactly the opposite is true. It is unprofessional *not* to capitalize on profitable opportunities to do good for everyone. When it comes to sales, we are not beggars—we are doctors. We examine symptoms, make a diagnosis and offer a cure.

Your service department must think like salespeople and be properly trained to promote, recognize and capitalize on client opportunities for cross-selling, referrals and references. You should give meaningful rewards to the service reps who get the most references or referrals each month. Your service people must have comprehensive product and service expertise. If your service department is low-wage clerical help, you are only hurting yourself.

Service personnel should listen to

#### PRACTICES

## Common Marketing Management Mistakes

### Budget First, Goals Second

The budget should be developed to support the goals, not vice versa.

### CEO Hit-and-Run

Successful execution demands involved leadership. In order for marketing to power a company's growth curve, it must emanate from the leader's strategy. Fortify it. Support it. Make it happen. Anything else will fail. The president is not the chief marketing officer, but must be intimately involved.

### The Gullibility Factor

Don't buy into ad campaigns that don't have a direct relation to your revenue production. The plan must take your target-market decision makers into account, and the results must be measurable. The centerpiece of a marketing program's ongoing evaluation—clearly defined goals—must be established and tracked. The plan/program/initiative must be integrated with all of your efforts.

### Falling Asleep at the Wheel

What is the single most important thing that must happen to make a sale? The appointment! Everything must be focused on getting qualified appointments. Do not lose sight of your value proposition. Once an appointment is achieved, key elements of failure are:

- Wrong message.
- Failure to engage a true consultive sale.
- You offered no strong reason to hire your firm vs. top competitors.
- Your efforts were directed at non-decision makers (poor qualifying).
- Self-interested presentations failing to produce results.

### The Ostrich Factor

Most agencies talk about their features as if they are unique. When every agency tells a creditor they have the same things and that they are unique, it becomes a joke. Do not list minimum requirements as if they were benefits. These may include experience, state-of-the-art whatever, customized services for each and every client and performance superlatives such as, "We out-collect the competition" or "We are number one for every client."

You likely do not have a single competitor that does not make these claims. Therefore in the buyer's world, regardless of their veracity, they have no value when selecting between qualified agencies.

clients and engage them in conversations about their business, their departments, their problems and their goals. You must have a monomaniacal focus on learning as much as you can about every client and every prospect.

Finally, don't be afraid to seek help. Most likely, your expertise is not in marketing or even sales. That's OK. You retain experts in technology to help with your hardware and software needs—sales and marketing are no different. If your efforts have not been successful, get outside help.

### Are You Ready?

You must analyze your ability to change, your willingness to leave behind past efforts and your commitment to moving forward. This is a key difference between companies that grow in market share, power and clout versus those that don't.

Tom Watson was right when he said, "Nothing happens until somebody sells something." You must be fully committed to being a firm that soars. Stagnation is death. You cannot remain in one place and survive. Companies that fail to effectively strive for growth inevitably fall behind, shrink and die. **cm**

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A frequent contributor to *Collector*, Marc Trezza is president and CEO of Search Net Corporation, an ACA vendor member offering sales management and training to the collection industry. He has made multiple appearances as a management expert on the Oxygen network, was featured in *CIO* magazine and has been both the author and the subject of many articles on leadership, management and sales. He can be reached at (212) 874-6265, [snctrezza@mindspring.com](mailto:snctrezza@mindspring.com) or via the Web at <http://www.searchnetcorp.com/agency>.