



SALES is the **Dog**

Looking at sales from a different perspective is the first step to greater success.

By *Marc Trezza*

Very few agencies would characterize their sales efforts as “wildly successful.” Agencies and their salespeople have been conditioned to see things through the agency’s eyes, and their sales behaviors are based on these perceptions. Seeing a buy/sell relationship only through your own eyes, however, is the first ingredient in the recipe for sales failure.

Recently, an excited agency CEO called me and said, “I finally get it! We’ve had it backwards all along. We thought stressing sales was the tail wagging the dog. Now I realize that if we want to grow, then sales is the dog. Operations support sales and service, not the other way around.”

From that moment on, the agency looked at sales as the key to its future and decided to build the best sales force in the industry. No longer would it settle for the typical agency sales approach that barely achieves marginal growth. Forty percent annual growth is now a target that the entire organization is committed to achieving. But how? What changes had to be made in order to refocus the entire company?

What was wrong with their former sales approach is what is wrong with 90 percent of the agencies that are not thrilled with their growth. So, the question is: What changes can you make within your own company, and how can you make sure these positive changes are accomplished?

Let’s start with what needs to change:

- Most agencies do not utilize in-depth professional collection sales training. They expect that salespeople will already be trained when they are hired. This often results in hiring years of ingrained bad habits and burnt bridges.
- For most agencies that do have some form of sales training, it is nowhere near the quality of their collector training. In fact, it perpetuates antiquated concepts that do not properly represent the agency and, in the end, costs the agency a great deal of business. Usually, the training focuses only on selling features, not how to outsell the competition.
- Most agencies submit vanilla, cookie-cutter proposals that say virtually the same thing as everyone else’s, and do nothing to distinguish them from other quality agencies.
- Most agencies rely on brochures that say virtually the same thing as every other agency’s. Because of this, an agency ultimately fails to distinguish itself from the pack.
- The activity benchmarks many agencies establish for their salespeople were created by operations people who have no clue what the total sales process, time frame and sales cycle are really about. (Going out on a sales call or participating in a “closing meeting” doesn’t even come close—that’s just the tip of the iceberg.)
- Most agencies view investing in sales as a cost but investing in operations as an investment.
- Many agencies do not have a professional, highly effective sales manager and do not seek outside help from available industry sales management experts.
- Sales managers receive nowhere near the quality of tools and

support given to the agency’s operations managers.

In terms of agency sales strategy, most agencies do not even understand what they are selling. They talk about systems capability, recovery rate, experience and references. They promise to outperform the competition and don’t understand why hardly anyone buys their “net-back” arguments in fee vs. performance discussions.

Let’s make this perfectly clear. Just about every agency that has ever been fired had good references, a “state-of-the-art” collection management system, insurance and bonding, and experience. They claimed they could out-collect the competition and said they would customize their services for each individual client. Every patient accounts manager, recovery manager, business office manager or collection manager who has been in the business for more than a week has been bombarded with dozens of agency salespeople with that same canned sales pitch.

In addition to awful sales pitches, the phone skills and tactical approaches of most salespeople—even with follow-up calls—are abysmal. Does the following sound familiar?

“Hello, may I speak with Joe? Joe? Hey, this is Bill over at the Betcha By Golly Wow Collection Agency. Remember—I met you at the XYZ Conference a couple of months ago? You don’t. Well, did you get that brochure I sent you with my business card? Oh, don’t worry about it. Anyway, I was just calling to see if you guys over there are still happy with your current agencies? You are? OK. How about if I send you another brochure and give you a call in a couple of months to see if you’re ready then? OK? Thanks. Bye.”

That call was a complete waste of the prospect’s time. Instead of building trust, confidence and company identity, it built a chasm of contempt and disrespect. This routine got old a long time ago. It’s embarrassing for your business and frustrating for potential clients. No wonder it’s so hard to get prospects on the phone who are willing to talk.

The bottom line is that despite all the system and service development that has taken place over the years, agency sales is still in the dark ages. Through our salespeople, we have created a “confidence gap.” The confidence gap is the prospects’ inability to determine whether your service is any better or worse than the scores of other agencies saying the same things and offering essentially the same reasons they should be hired, thereby increasing rather than decreasing the prospect’s perception of risk.

Over the years, most creditors have fired more agencies than they’ve kept. That means the typical sales pitch a creditor hears from an agency has little or nothing to do with whether or not the relationship will be a success. There is a huge gap between your internal reality (your skills, your integrity, your systems capabilities and the way you conduct your business) and outside perception (how prospects who don’t really know you perceive your business).

Outside perception consists of the ideas and impressions

credit and collection managers gain from the contact your sales force makes with them. Inside reality and outside perception have to match in order for you to sell. By devoting the majority of your resources and passion to the inside, you become frustrated by your lack of growth and dissatisfied with the sales process. If you want to grow, there has to be a better balance.

So, how do you fix this problem? How do you get prospects to want to do business with you instead of all those other agencies?

There has to be a real commitment to positive change on the part of the agency. That means accepting that your current approach is over and attacking the problem at its roots to get results. There are four primary areas that must be attacked.

Management attitude and perspective

The first step is a shift in perspective or mindset, starting with the CEO. After all, positive change must flow from the top down.

The days of simple selling—of treating sales as the tail instead of the dog—are long over. You've built a quality collection operation. Now it's time to turn your organization into a growth-driven, quality sales-oriented company.

There are budgetary issues, personnel issues, training issues, management issues and employee-perception issues. Budgetary changes must reflect your commitment. All personnel must understand that sales growth is critical to everyone's survival. Your agency can no more thrive on old business alone than can a collector with no new accounts. If sales management is not at least as good as your collection management, you need to get outside help. At this point, you have three choices:

- Hire a proven freelance collection sales management expert to work with your sales manager to help achieve your agency's goals.
- Hire a professional collection sales manager, with a proven track record (if you don't have one).
- Retain an independent (freelance) collection sales expert for a set time period to assist you and/or manage this process for you.

Methodology and approach

Look at your entire sales process. What is the approach your salespeople use? What is the quality of your sales efforts compared to the best agencies in the business? You must address the following issues:

- How do your salespeople represent you? What do they do and what do they say? How does that compare to the best sales forces in the industry?
- Do your marketing materials accomplish your goals? Do they get appointments? Do your bid/proposal packages win most of the contracts you compete for?
- Do you manage your salesforce as well as you manage your collection floor? The process is similar to collection

management, but the templates are quite different and very few managers do both equally well (particularly at the same time). Salespeople are much tougher to manage skillfully than collectors. Look at all the help and support you give your collection manager(s). How does it compare to the help and support you give your sales manager? Be sure to compare technology and MIS support, collection management system, collector training, contests and incentives, evaluation and reviews, strategy sessions, seminars, etc.

Training

Improperly trained salespeople using run-of-the-mill marketing materials and canned sales pitches is equivalent to trying to be competitive with 3x5 index cards and rotary phones. You can't sell anyone anything if they don't want to listen. That means your salespeople have to be trained to say and do things that make prospects want to listen. It means they have to be contacting the right people and talking to enough of them. It means utilizing a true consultative sale that focuses on the prospect, not the agency, and sells understandable advantages and benefits, not features.

We sell confidence and trust. We sell a promise that we are both willing and able to apply every bit of our capabilities to the specific needs and requirements of the prospect. We sell how and why we will make their jobs easier and more secure than they have ever been before. We sell service—not recovery rates. Is there any agency that thinks their competitors' salespeople are promising to underperform? The salesperson from every agency that's ever been fired from a client promised to out-collect the competition. Competitive performance is expected, and typical sales promises about out-collecting the competition are empty and meaningless. All they do is destroy your credibility and sabotage your agency. It's bush-league and unprofessional, and to a creditor, it's like nails scraping across a blackboard.

Faced with increasing pressure to reduce costs and increase productivity, today's prospects are more sophisticated than they once were. They are more knowledgeable, less loyal and more cautious because they know that there is a greater personal risk if a mistake is made. Given these changes, they no longer simply allow you to sell the same canned pitch they've heard a thousand times before. Instead, successful agency salespeople are experts who provide information and recommendations, who anticipate problems and offer solutions, who represent agencies that look at the sales process as long-term and who provide guidance along the way. In short, the successful salesperson is the one who listens more than talks, gets into the prospect's head and applies a client-focused selling strategy. This requires proper training. (By the way, asking three or four totally self-interested questions about placement volume, average balance, recovery rate and fees is not consultative selling.)

Simply said, if you don't give your salespeople professional collection sales training and then implement the changes into

your standard procedures, you condemn yourself to anemic growth and stagnation.

Tools and support

Having the proper tools means you must send information that impresses your prospects by separating you from the pack, leading to appointments that bring profitable contracts. Brochures are dead. They do not build a case for your agency. Platitudes and generalities leave no impression whatsoever, except to create skepticism. "State-of-the-art," "client-service oriented," "competitive" and other ambiguous phrases have no meaning because they've been over-used and abused by agencies until they no longer have any value. Telling it and selling it are two very different things.

Proper support means more than utilizing superior marketing materials. It means good management, valuable coaching and guidance, and supportive structure. It means working with numbers that are real, not wishful thinking. How did we learn how to maximize a collector's phone time and make it effective? How did we learn what a particular collector's queue should yield every month? We analyzed empirical historical data specific for that type of account to come up with measurable numbers. You cannot manage what you cannot measure. And you cannot use nonsales numbers or wishful thinking to establish activity benchmarks.

The collection sales process is complex because it involves the buyer acquiring knowledge and weighing alternatives to arrive at the optimum choice between many virtually indistinguishable agencies, based on a prediction about future performance. As a result, client-based consultive selling is the required process of the millennium for the collection industry. Advances in technology, continuous change and a multitude of choices mean there is more risk and uncertainty for buyers and, hence, a greater need to understand the available options. There are a lot of qualified agencies competing against each other for new business, and the agency that gets a contract is the one that has reduced the prospect's perception of risk by building confidence in how well the relationship will function on a day-to-day basis for the foreseeable future.

When buyers feel the need to add or change an agency but sense the risk of making a mistake, they will seek to resolve their uncertainty with a deliberate, rational buying process. As a salesperson, it is critical that you understand each prospect's hiring process. Otherwise you are boxing blindfolded. In the qualifying process, one of the first things the effective salesperson uncovers is how the prospect's agency selection process works. Upon learning this, the salesperson must properly shepherd both the prospect and the agency through each step of the prospect's buying process to help close the deal.

Can you afford to lose even one sale because your sales efforts were less than the best? Smart agencies are getting their sales staff professional collection sales training and providing their

sales managers with the best tools and guidance available. Credit professionals and patient account managers have become increasingly sophisticated and intolerant of unprofessional agency salespeople. An important thing to remember is that experience does not mean professionalism.

I recently listened to an agency salesperson (who bragged about his 20 years of experience in agency sales) making calls to prospects. His lack of professionalism was actually painful to overhear. He talked over the prospect, sounded like a used car salesman and missed several opportunities to turn the conversation into something productive because he was too busy talking to listen. Result? The prospect stopped returning his calls. It reminded me of a guy I saw on Broadway who was bragging that he could play four games of chess at once. I stopped to watch—what he didn't say is that he loses all four games.

The industry's successful salespeople will continue to be those who modify their sales strategy according to the buyer's definition of professionalism. Get into the prospect's head and answer the following questions:

- What is the prospect thinking?
- What are the prospect's specific needs and requirements?
- How does the prospect's agency selection process work?
- Who are the prospect's buying influences and what is the level of influences?
- What, in the mind of the prospect, would justify making a change?

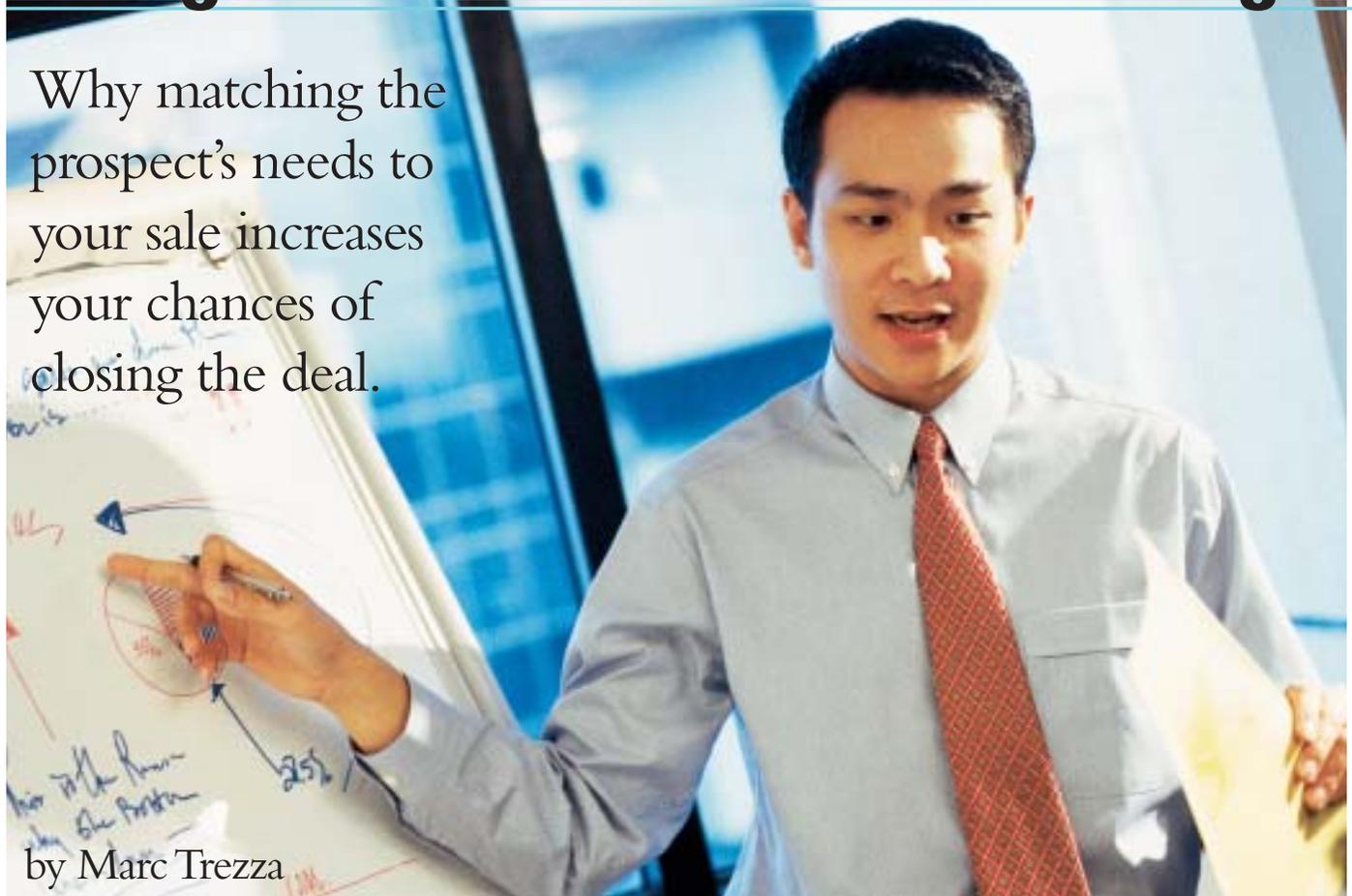
After coming up with answers to these questions, you will be able to respond more professionally than anyone else with solutions based on a real understanding of the prospect's perception of needs, likes and dislikes. You will be adopting the type of client-focused selling that will help you close sales and will result in long-term, profitable, quality partnerships and consistent high earnings—thereby protecting your agency's future. Anything less condemns your agency to mediocre growth—or even eventual oblivion. **CM**

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The Eight Roles of Successful Selling

Why matching the prospect's needs to your sale increases your chances of closing the deal.

by Marc Trezza



Faced with increasing pressure to reduce costs and increase productivity, today's recovery managers are more sophisticated than they once were. They are more knowledgeable, less loyal and increasingly cautious because they perceive there is greater personal risk if a mistake is made. Given these changes, today's buyer will no longer simply allow you to "sell." Instead, successful salespeople will be those who provide information and recommendations, who anticipate problems and offer responsive solutions, who look at the sales process as long-term and who provide guidance along the way. In short, successful salespeople get into buyers' heads to determine their needs and wants, and then they apply an appropriate client-focused selling strategy.

Buy-knowing vs. buy-learning

In client-focused selling, a salesperson must see things from the buyer's perspective and subsequently match the sales process with the steps the prospective client goes through when making a buying decision. Instrumental in adopting this approach is an understanding of the two ways people buy: buy-knowing and buy-learning.

When buyers believe they already know what they need to know and can make a relatively quick purchase decision, this is buy-knowing. A contract renewal is an example of this. Buy-learning is more complex because it involves acquiring knowledge and weighing alternatives to arrive at the optimum choice. It is certainly the buying process of the millennium for the credit and collection industry. Continued change and a multitude of choices means there is more risk and uncertainty for buyers and a greater need to learn about the available options. There are a lot of qualified businesses

competing against you for business, not to mention trying to take away an incumbent agency's placement volume.

When buyers feel the need to buy but sense the risk of making a mistake, they will seek to resolve their uncertainty with a deliberate, rational buying process. Remember that every business the client has ever fired promised to outperform the competition and customize their services for the client's needs, claimed to have state-of-the-art technology and boasted a myriad of references, experiences, ethics codes, etc.

As a salesperson, it is critical that you understand each prospect's process. Buy-learning unfolds in a series of eight predictable steps. The effective salesperson understands how to shepherd buyers through each step of the buying process to encourage them to hire your company. The eight steps are:

- Discontent
- Research
- Comparison
- Fear
- Change
- Commitment
- Expectations
- Satisfaction

Throughout this process, you must align your sales approach to meet each client's individual needs. In other words, you must adopt the selling role that matches your prospect's current needs and procedures.

In the buying process, each step a prospect takes is firmly based on the preceding step. The more effective you are at providing the

correct information at each juncture, the better your chances of closing the sale. The “Eight Roles Of The Successful Salesperson” are a memory aid and guide to make the client-focused consultative-selling process easy to use. The roles are:

The student

As a student, you will study how changes affect your prospect and find opportunities where you can add value. To make larger and more profitable sales, you must find bigger and more significant needs. The prospect’s potential value to you will determine how much time you devote to learning about him. Those with greater potential will warrant more of your time. Naturally, as a student, you are always in the process of aggressively learning all there is to know—not only about the prospect’s perceptions, their selection process and their needs and requirements, but also about your own company, changes in our industry, the economy, and the industry or vertical market you are pursuing. Your knowledge must continually grow.

The doctor

Discontent occurs when prospects recognize that where they are is not where they would like to be. A problem or an opportunity can be the cause of discontent. Your role as a doctor is to diagnose your prospect’s discontent (identify the symptoms) and uncover his or her major needs (make a diagnosis) and, then, to share information about how your solutions can meet those needs (offer a cure). It is critical to look at both problems and opportunities. In this role, you will encounter prospects who are injured or ill, healthy and/or in denial. An “unhealthy” prospect is one whose agency relationship is not up to par. The performance of “healthy” prospects may be at an acceptable level, but they may seek the opportunity to be better off and to achieve a higher level of performance. “In-denial” prospects mistakenly believe their performance is optimal.

Whatever type of ailment your

prospects have, encourage them to take some form of action to help themselves. The more involved they become in their own care, the faster their recovery will be. The more involved they sense that you are in providing real solutions, the more likely you will close a mutually profitable deal. The prospect’s perception of his or her current buying influences (trouble, growth, even keel or over-confidence) will determine both your opportunities and your approach to their problems.

The architect

Here, your role is to design unique solutions that simplify your prospect’s research and lock out the competition. Help them by translating their intangible concept of what they need into more definite buying criteria. Be sure to refine their needs in a way that not only ensures that they will achieve the outcome they desire, but also capitalizes on the competitive advantages your business has to offer. To move from a general concept to a specific plan, you use the same four steps that an architect uses in the design process:

- Understand the client’s general and specific concept of need.
- Determine the must-have requirements necessary to achieve their goals.
- Refine the concept by identifying the “nice-to-haves.” Determine the relative importance of each nice-to-have to the prospect.
- Identify the needs, perceptions and requirements of each of the buying influences individually, and have a clearly definable plan that explains how you will meet each one in order to include all of the buying influences in the selection of your business.

The coach

As your prospect compares your solution to those offered by your competitors, your goal is to defeat your opponents without cutting your fee. A coach gains competitive advantage through analysis and insight, then executes a winning game plan. The steps that will help lead you to victory include the following:

- Analyze your strengths and weaknesses in comparison to those of your competitors.
- Develop a game plan to positively position yourself against the competition based on the selection process of the prospect.
- Demonstrate your superiority on the playing field with a great sales proposal and presentation centered around the specific needs and wants of this specific prospect in a way that distinguishes you from your competitors and demonstrates your professionalism and your appreciation of the importance of this prospective client.

Coaches say that when two teams are evenly matched, the winner will be the team that makes the fewest mistakes. That’s why coaches spend a lot of time on the practice field, improving old skills and learning new ones. To win competitive sales, you must do the same. Coaches also realize that you can’t win ’em all. Even when you lose a sale, look for the lesson, adjust your activities accordingly and move toward your goals. Learn from your mistakes.

The therapist

The therapist draws out fears and helps resolve them. Once in a while, buyers may not encounter fear during the buying process. However, this is the exception rather than the rule. Remember that, for the manager who hires you, the success or failure of her business relates directly to her job security and career. The closer recovery managers get to making a major commitment, the more they focus on the future consequences. So, be on the lookout for indications that a prospect is getting nervous. You must identify personal as well as departmental concerns. You must be sensitive and observant and recognize that these fears are legitimate. Take the time to review how things are going. Is anything out of the ordinary happening? Once you have detected fear, you must determine its source. This is not always easy and may seem like a risk on your part, but it is not. The risk is in ignoring or avoiding the

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prospect's fears or concerns. Raise the issue if you think it is causing fear, and help your prospect by weighing options and discussing alternatives. Never be afraid to ask questions. You cannot address problems if you don't know they exist. Solutions are based on problems. To be the solution, you must understand the problem. Otherwise why should a client hire you?

The negotiator

Negotiation is a discussion designed to reach an agreement between parties who share some interests but are at odds on others. The goal here is to reach a mutual commitment to open a relationship—not hammer home a self-interested close.

Four key points to consider as you negotiate any deal follow:

- Prepare to negotiate by determining each thing you want from the agreement (using a high, medium and low range) and by generating a list of high-value concessions, other than price, to use as bargaining chips if needed.
- Reach agreement with your prospect by clearly identifying his or her interests, determining areas of agreement and creating win-win solutions to resolve differences.
- Do not get caught in positional bargaining. Be hard on the problem, never hard on the people.
- Seek commitment in a nonmanipulative way.

The teacher

Businesses need to have a clear understanding of their new client's expectations and must have a way of knowing when and if value has been achieved. Salespeople can help on both fronts by adopting the role of a teacher. First, in client-focused consultative selling, the objectives agreed upon by you and your clients must be realistic and measurable. Once these goals are set, it is up to you to manage the process and teach them how best to attain those objectives. The key here is to make sure that your company knows how to meet the prospect's specific

needs, and the prospect knows how to use your services properly. Teach your client and guide them immediately after the sale so their experience with you and your company will be as good as it can possibly be. You must manage the "boarding process" to ensure the deal does not slip through your fingers after it is "closed." Lastly, test for value—make sure your service is providing what you said it would (not just in terms of recovery rate, but on every level, from patient or customer relations to client service and reporting). Only by meeting and exceeding expectations of value will you have a satisfied client who will keep placing business with you for years to come.

The farmer

Today, agencies striving to be the best have made client-satisfaction and retention their cornerstone business strategy. To survive and thrive, you must get closer to your clients—not just during the sales process, but after it as well. This is where the role of the farmer comes in—to cultivate satisfaction and grow the account. Your clients form a perception of satisfaction based on four factors:

- Value achieved.
- Performance quality.
- Service quality.
- Cost.

The challenge to salespeople is that while the client may be satisfied with all or some of these points today, his or her opinion may change tomorrow. By looking at the signing of a sales contract as the beginning of a service contract, you will be cultivating a relationship that will pay dividends again and again down the road.

Asking the right questions

As potential clients continue to become increasingly sophisticated, successful salespeople will be those who modify their sales strategy accordingly. You need to get into your customer's head and find out:

- What are the client's specific needs and requirements?
- How does the client's selection process work?

- Who are the buying influences and what is the level of influence of each one?
- In the mind of the buyer, what would justify making a change?
- Why have the client's agency relationships failed in the past?
- What do the client's successful agency relationships had in common?
- How would your success be measured beyond the collection floor?

In answering these questions, you will be adopting the type of client-focused selling that can help you close sales and bring you profitable clients, excellent references and ongoing sources of new business. **CM**

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