

Bankcard Boot Camp

Prospecting

Course Notes

www.bankcardbootcamp.com



"Give a man a fish and he will eat for a day. Teach a man to fish and he will eat for a lifetime"
– Chinese Proverb

Presented by



Prospecting

Your marketing and prospecting plan should outline the steps that need to be taken to generate sufficient leads to reach your sales goals. Make sure you develop a prospecting strategy that fits your personality and individual style. If you know you are not going to cold call, don't lie to yourself; develop an alternate strategy.



Here are several tactics to generate solid prospects:

- **Cold Calling**
- **Telemarketing**
- **Niche or Target Marketing (i.e., restaurants, doctors, car dealerships)**
- **Direct Mail**
- **Referrals and/or Joint Ventures**
- **Lead Companies**
- **Internet Websites**
- **Association Endorsements**
- **Chamber of Commerce Meetings**
- **Lead Exchange Groups**
- **Civic Groups**
- **Seminars**
- **Print Media**
- **Free Reports**
- **Free E-mail Course**
- **Free Newsletter**
- **Free Ebooks**
- **Recorded Sizzle Message**
- **Auto Dialing Machines**

- **Tele-classes**
- **Coupons**
- **Trade Shows**
- **Local Newspapers**
- **Picture Business Card**
- **Vacation Vouchers**

Top 5

- **Cold Calling**
- **Telemarketing**
 - **Direct Mail**
 - **JV's**
- **Lead Exchange Groups**

Tactic #1 – Cold Calling

Cold Calling – New Businesses

Cold calling is still one of the most effective ways to reach prospects. The advantage of marketing to new businesses is that they must accept credit cards and they need equipment. The disadvantage of marketing to new businesses is that every merchant service provider is going after this market. The new business market is huge; according to InfoUSA, there are over 50,000 new businesses started each week in the United States.

If approaching new businesses you will need to acquire a new business list. This can usually be done through a list company such as www.infousa.com, or the most affordable route is usually the local county court house. Just inquire about the new business list, corporations list, or list of assumed names; the wording varies by state. Many agencies will fax or e-mail the list daily or weekly for a fee.

Once the list is acquired, target only those merchants that require your product or service (use some common sense). Sort them by zip code so a route can be developed. While on the road look for signs like “Grand Opening,” “Under New Management,” and “Coming Soon.”

If your list has phone numbers the most effective approach is to call and set appointments; this will save time and money in your prospecting efforts.

A good beginning ratio for cold calling is a 10% presentation ratio and a 20% closing ratio. If you make 50 cold calls a day, you will get 5 presentations and close 1 sale.

Cold Calling – Existing Businesses

Existing business are always on the lookout to improve the bottom line. Rather than leading with traditional merchant services, you may want to lead with a Tier I or II product. Try opening the door with one of the following:

- **Debit Services**
- **Gift Cards**
- **Loyalty Cards**
- **Cash Advance**
- **Check Guarantee**
- **Check Conversion**
- **Internet Processing**
- **Website Design**

Another tactic is to make a service call. You can open a dialogue with a merchant by giving him new stickers or by cleaning the heads on his credit card terminal.

The best plan is to decide the night before which area you will target. If targeting existing businesses work the areas that have the most businesses. North, East, West, and South: it doesn't matter; there are merchants everywhere.

You may find existing business lists from:

- www.goleads.com
- www.delorme.com (Xmap Package)
- www.infousa.com
- www.thomasregister.com
- www.switchboard.com
- The Yellow Pages
- Google and Yahoo
- Hoovers Online
- Thompson Manufacturers Directory

Target those businesses that use credit cards the most, such as auto repair shops, carpet stores, furniture stores, restaurants, retailers, car dealerships, doctors, dentists, repair centers, and service companies.

Tactic #2 – Telemarketing

Telemarketing is a great source for generating qualified prospects. More people can be contacted in less time on the phone than face-to-face. Another great strategy is to hire a part time telemarketer on commission. Get a list, develop a script, and have your telemarketer hit the phones.

Many people today want to work from home. This is a win-win situation for everyone involved. Good telemarketers are worth their weight in gold. Call the new business list yourself unless your telemarketer is experienced. New business leads are valuable; however, inexperienced telemarketers can burn through a lot of good leads until they get proficient on the phone.

Remember when telemarketing that the appointment is being sold, not the product. Once the appointment is set you may want to qualify your prospect in more detail, such as making sure they have their business banking set up, and that all decision makers will be at the appointment.

You may want to offer an inducement or bonus for meeting with you, like a free business planning software package, a free eBook, a free report, a waiver of all application or setup fees, a free printer – try several different promotions.

Telephone surveys are another great tool to determine merchant interest. Conduct a one-minute survey and call those merchants later in the week that expressed an interest in saving money.

Tactic #3 – Niche or Target Marketing

Many successful salespeople specialize in niche or target markets. For instance, you may want to specialize in just restaurants or doctors. If you're in a niche market, you need to possess a complete knowledge of that particular market and how your products will uniquely benefit the merchant. Review the chapter on target marketing for ideas.

Get involved with local associations, write free articles, advertise in their newsletters or publications, and speak at their meetings. Try to get involved on the national level and create a special merchant program for their association.

Have your merchants write you testimonial letters. Align with key suppliers who work with that market. If you are selling to restaurants get with other equipment vendors, consultants, menu designers and develop cross-referral relationships.

Become the expert. Make sure you service these customers above and beyond. A niche market is a double-edged sword. Merchants know each other – if you don't service your merchant the word will get out.

Tactic #4 – Direct Mail

Direct mail is still a fairly good source for leads. If you filed a DBA as we recommended earlier you will know who is actively mailing in your market area.

Make sure you are getting a good return on your investment. For example, if you are mailing 4,000 pieces per month the postage alone is \$920.00 plus printing, labels, list cost and time. The average return is a 1%–2% response depending on the area and sales copy.

That means that a 4,000 piece mailing with a 1% response will generate 40 calls. The presentation ratio should be much higher with call-ins, usually around 30%–40%. That means a good representative will get in front of 16 people and close 30%+ of those appointments.

Another tactic is a pre-approach letter. Send out an introduction letter before you call your customer. This works well when targeting niche markets, but the cost is high.

Always track responses and closing ratios in order to determine if your return on investment.

Tactic #5 – Referrals and Joint Ventures

Referrals continue to be one of the best sources for leads. Offer customers and business associates a referral fee for each sale. If delivering and training on a new installation, always ask for five referrals before leaving.

Here are some great types of businesses to consider for referral partnerships:

- **Advertising Reps**
- **Alarm System Companies**
- **CPAs**
- **Consultants**
- **Financial Planners**
- **Hosting Companies**
- **Insurance Agents**
- **Local Banks**
- **MLM Distributors**
- **Newspapers**
- **Office Equipment Reps**
- **Payroll Sales Reps**
- **Printing Companies**
- **Restaurant Sales Reps**
- **Sign Companies**
- **Software Sales Companies**
- **Telecom Sales Reps**
- **Trade Journals**
- **Website Designers**

If you build a referral network big enough you will never have to make a cold call again.

Tactic #6 – Lead Companies

A lead company's job is to generate the appointment or lead for sale. Lead companies help salespeople concentrate their efforts on selling. The drawbacks of using a lead company are expense and sometimes quality. Often when buying leads the first couple of batches are great, but then the lead quality drops off. Expect to pay \$7.00–\$15.00 per lead. Check out www.buyerzone.com or www.rentatelemarketer.net.

There are also telemarketing centers that will pre-set appointments. They usually work on a set amount of appointments per week and require prepayment. Prices range from \$25.00–\$50.00 each appointment. Some will work out a fee arrangement for a lower appointment fee with a bonus per sale or a joint venture agreement.

Always monitor lead quality.

Tactic #7 – Internet Websites

The Internet is a great source of advertising. Competition on the Internet is fierce. You must have a fairly sizable budget to advertise successfully on the Internet. Pay-per-click search engines are becoming more and more popular. These search engines allow Website owners to advertise their sites at the top of the search engine for a fee. The largest fee-based service is www.google.com.

Tactic #8 – Association Endorsements

Association endorsements are about the best lead source available. If you are selected as the vendor of choice for a large association, success is assured.

The only challenge is that larger associations have agreements in place and the sales cycle to land these types of accounts is very long.

Only spend 5%–10% of your time dealing with associations or trade groups; but if you get one, that business can produce tremendous income.

Tactic #9 – Chamber of Commerce Meetings

Chamber of commerce meetings are a great place to meet business owners. Join your local chamber, attend all meetings, and you will start to earn new referral business.

Members receive 2–3 minutes at each meeting to introduce their products and services. Most chambers also have social mixers where you can network with other members.

Chambers also publish periodic newsletters and journals featuring new members. Offer to write an article in your local chamber newsletter; it will give you great exposure.

Tactic #10 – Lead Exchange Groups

A lead exchange group is comprised of non-competitive businesses that exchange leads. Lead exchange groups usually meet once every two weeks or so.

A great lead exchange group is BNI; they are located at www.bni.com. If you don't have a lead exchange group in your market area, start one.

Tactic #11 – Civic Groups

There are many civic groups and organizations available that will benefit you personally and professionally. Here are just a few:

Toastmasters	Rotary Club
PTO/PTA	Lions Club
Kiwanis Club	Optimist Club
Professional Associations	VFW
Red Cross	YMCA/YWCA
Networking Groups	Church Groups
Elks	Sports Leagues
Habitat for Humanity	Charity Groups

Tactic #12 – Seminars

Seminars are a great way to promote any business. The ideal situation would be to get a group of complementary companies together to share in the expense.

Many new business owners want information on starting, expanding, or growing their businesses. You may want to partner up with a Website company, hosting company, printer, office equipment vendor, or CPA and offer a small business seminar.

Seminars may also be conducted at business expos and trade shows.

Tactic #13 – Print Media

Print advertising is a great source for leads if you have the budget. Some great sources for advertising are the local yellow pages, magazines, trade journals, and newsletters.

Check circulation and readership numbers to make sure you are getting a good value for each advertising dollar. There are thousands of trade journals available at affordable rates.

A live person is recommended for answering the phone at all times when advertising in print media. Many people want information immediately and will not leave a message on a voice mail system. If you must use a voice mail system, have caller ID installed in order to track hang-ups.

Tactic #14 – Free Reports

One great lead tactic is to create a free report (i.e., 10 Keys to Avoiding Credit Card Fraud, 7 Things You Should Know Before Setting Up a Merchant Account) and give it away to prospective merchants at no charge. Free reports give value and open the door to begin a sales dialogue.

Tactic #15 – Free E-mail Course

Create a free e-mail course for prospective merchants (i.e., The 5 steps to Increasing Sales with Credit Cards). You can set this up with a system called an auto responder. Many auto-responder services are free; go to www.getresponse.com/index/45256 to see how they work.

Basically, write the course and load it into your auto responder. The auto responder will automatically deliver e-mails to the customer 24 hours a day, 7 days a week. Auto responders also allow the delivery of multiple e-mails over a specified period of time. The great thing is that once the course is written it never has to be touched again.

Put the free course offering on all mailings and business cards, and you now have an automated salesperson working for you 24 hours a day.

Tactic #16 – Free Newsletter

This one will take a little more effort and time on your part. Newsletters are a great way to introduce new products or services.

I would recommend an e-mail newsletter. For a free list manager, go to www.ezinemanager.com. Newsletters can be sent out bi-weekly or monthly and it's a great way to stay in touch with your customer base.

Tactic #17 – Free Ebooks

EBook giveaways are great prospecting tools, sales closers, and bonus offerings. You can give away several useful titles such as:

- **How to Write a Business Plan**
- **Magic Letters**
- **7 Secrets to Unlimited Traffic**
- **Scientific Advertising**

Just go to www.google.com and type in “free eBooks,” and you will find several companies offering eBook giveaways that you can use to prospect your merchants with. You can purchase the resell rights for some packages for as little as \$29.95.

This is an affordable way to increase your prospecting efforts for a small investment. Use eBooks to differentiate yourself from the competition.

You can deliver these products on floppies, CDs, or DVDs, printed or from a Website download.

Tactic #18 – Recorded Sizzle Message

Let’s borrow a tool from the MLM industry. This is a very cost-effective means of advertising. Rent a toll-free voice mail number for roughly \$9.95 per month and record a 3-minute infomercial about your products and services. Many times prospects don’t want to call the number off your direct mail piece because they know they are going to be sold. This method allows them to listen to a sizzle message instead and then have the option to leave their name and number.

Some systems offer multiple voice mailboxes and fax-on-demand capabilities so you can auto-fax brochures to your customers.

Tactic #19 – Auto-Dialing Equipment or Voice Broadcast

Almost everyone has been called by an auto dialer. 99.9% of the people called hang up, but the other .01% responds. Verify if auto dialers are legal in your state and what the requirements are before implementing.

Tactic #20 – Tele-classes

Offer a free or fee-based tele-class for new merchants about accepting credit cards, checks, and debit cards. At the end of the tele-class you can offer your services or give merchants your contact information.

Tele-classes are more cost effective than regular seminars because they are done over the phone. Here is a free service - www.freeconference.com.

Tactic #21 – Coupons

Consumers love coupons. Create a coupon for a free application fee, free setup, referral fee, free printer, one hour of free consulting – anything you can think of. Offer this coupon when cold calling or as a bonus for doing business with your company.

Tactic #22 – Trade Shows

Trade shows are great places to find new customers and develop partnerships with compatible businesses. Hunt for local trade shows or business expos in your area. Chambers often put on a yearly trade show.

For a listing of trade shows nationally, go to www.tradeshowbiz.com or <http://www.tsnn.com>.

Tactic #23 – Local Newspapers

Check your local newspapers, business journals, and weekly papers. Many will list new businesses just starting and businesses moving to the area.

Call all the businesses whose advertisements in the local papers and service directories lack credit card logos, and offer your services.

For business leads, go to www.bizjournals.com.

Tactic #24 – A Picture Business Card

This tactic has served the real estate business well. The business card is your representation of who you are to the business community. Since most people are visual, they remember other people's faces. A business card with a picture has ten times the impact of a normal card.

Also, use the back of the card. Write out all the hot buttons or benefits of your product on the back of the card. Use your card as an advertising tool that moves your customer to action.

Tactic #25 – Free Promotions

Promotions have been used for years to help generate leads. You can offer them as a bonus when a sale is made or just to make a presentation. They are also great tools to increase response on your direct mail pieces.

Vacation Vouchers

Free Software – accounting, CRM, specific to industry

Free Trial or Service

Free Consulting

Free Printer, fax machine, laptop

Free Website, Printing, Advertising etc.

Note: You will not have time to utilize all 25 prospecting tactics. Choose 3–5 tactics implement them on a consistent basis, and you will have a full pipeline of prospects to sell to.