



Constructing A Prospect Pipeline

by JOHN R. GRAHAM

Though faced with the reality of economic change, the constant reconfiguration of the business landscape and most of all pressure to make the numbers, U.S. companies continue on the short-term thinking path.

It's so widely accepted today that short-term thinking is all that seems to count. Long-range goals seem strangely out of place and irrelevant, reminiscent of hunters of an earlier time. A popular business saying summarizes this concept: "Every day, week, month and year, we have to do it all over again."

Getting up every morning is like going back to the starting line. Salespeople look in the mirror and ask themselves the question: "Who can I talk to today?" Even more to the point: "Where can I find the ripe fruit?"

If a short-term strategy is so necessary and useful, then why do 46 percent of sales managers report that their biggest challenge is dealing with under-performing salespeople?

Whether it's investing, developing a transportation system or making sales, the tendency to opt for the short-term and ignore longer-term issues is all but universal. On a personal level, studies show that most Americans fail to plan for their retirement. "Now" takes precedence over "then."

Our tendency toward "either-or" thinking drives us to conclude that it must be

either "short-term thinking" or "long-term thinking;" one or the other.

What about "both-and" instead of "either-or"? While everyone is faced with meeting immediate objectives, does that mean we should ignore planning longer term?

It has become crystal clear that buyers are not making snap decisions. An insurance sales manager landed a very large account. When asked how long she had worked on it, she replied: "Well over a year."

Here's the point: Without a pipeline of prospects, there can be little long-term growth — or proper short-term results.

The process is one of constantly filling the pipeline with potential business while taking care of the new business that flows from the pipe. More effort going into customer creation pays off in increased business. Instead of spending valuable time and resources to scavenge for new business, a more prudent approach is to create a process that produces new business continuously.

Building the Pipeline

Here are the elements of implementing a pipeline strategy:

- View prospects as customers-in-the-making — Although salespeople are quick to say they are solution-oriented and want to help customers, their behavior often betrays the most noble of intentions.

It isn't difficult to identify a salesperson who has a single objective in mind: making the sale. Everything is aimed at achieving that goal. With such transpar-

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ency, prospects easily sense their true mission and go on the defensive, either rejecting the salesperson or backing away from making a decision.

More often than not, the excuse that's given for not making the sale is price. A different mindset views prospects as customers-in-the making, who may buy today, tomorrow or a year from now. The goal is to bring them into an orbit where they can gain an understanding of why they should do business with you.

- Make prospect identification a continuous process — It's easy to put making the sale ahead of creating the customer. The goal of prospecting should be identifying those who fit a company's customer profile and who, when properly cultivated, hold the potential for becoming buyers.

Yet, most companies find it difficult, if not impossible to make prospect identification a continuing task. Even when prospect identification occurs, it is more often than not a "temporary activity," driven by a need to boost sales.

The life force of sales is a pipeline that's filled with prospective customers who have learned the value of doing business with you — and who have discovered all this before becoming customers.

- Implement prospect cultivation tactics — The purpose of cultivation is to build a relationship with prospects. Customers set their own buying schedules, and they're not about to have their priorities changed to fit the needs of a salesperson who makes a flurry of calls or sends a half-dozen e-mails and then quits because of a lack of response.

Today's prospects are not moved by attempts to arrange a meeting or someone saying "I'd like to get together with you to gather information." There's no time. But when it comes time to buy, those who have established themselves in the prospect's mind get the opportunity to write the order.

- Segment prospects to focus on individual needs — In ef-

fect, there's only one prospect — even though you may be working with many. The goal is to have prospects conclude that your solution meets their specific needs.

It's an age of the individual customer, where expectations are increasing daily. The customer expects everything to be personalized. For example: "boilerplate" communications and proposals do more to undermine prospect confidence and interest than the actions of the most inept salespersons.

Today, we can manage our individual retirement accounts, order cars that are customized to our specifications instead of having to take what's on a dealer's lot, and dine at restaurants that prepare meals to individual taste.

This is what customers also expect from salespeople:

- Be a valuable resource — The most effective way to convince a customer to buy from you is to make yourself invaluable. What you sell may help a customer become more successful, but what you know solves customer problems. There are those who are reluctant to share their knowledge, fearing that prospects will take what they want and never bother to become buyers.

The president of a highly successful insurance operation reports receiving calls from both customers and prospects about his newsletter articles. "They want to discuss an idea they found in one of the articles," he reports.

What you know is more important than what you sell. The best way for prospects to become aligned with your company is to allow them to discover what's helpful to them from your experience and knowledge.

- Find ways to help customers be more successful — If partnering has any value as a concept, it's to be found in helping prospects and customers meet business challenges. Just selling them the right

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product or service isn't nearly sufficient to build a lasting bond. Almost any "vendor" can do that. Going beyond the expected is today's challenge.

- Demonstrate leadership — While playing it cautious can be prudent, it's leadership that captures the attention of prospects. Mass merchandiser Best Buy is leaving the competition behind with its assertive marketplace strategy. Through advertising, store design, cutting edge product emphasis, Best Buy sends the message that it's number one.

A Results-Based Approach

Because results are what count, wasting time chasing possible sales, following up on less-than-serious prospects and preparing dead-end proposals doesn't make sense today. Time is too valuable. Short-term sales tactics fail to deliver long-term results.

What's required is a pipeline of prospects that, because they know and understand your products and services, create a steady flow of new business. In the end, it's a carefully crafted combination of longer-term planning that creates short-term results. □

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