

# Persistence Pays Off

by Tom Grandy, Grandy & Associates



Many years ago I worked for a boss who would occasionally ask me questions that he already knew the answers to. Why? He wanted to know if I knew the answer. A couple years ago I started asking contractors in my seminars a question. Like my old boss, I thought I knew the answer to the question before I asked it. I was wrong!

The simple question involved how many times the contractor called back after providing the customer with a written quote for replacing their equipment. The first year or two I would ask, "How many in the class contact the customer five or more times after providing the quote?" Very few hands went up. "How about four times?" Another hand or two went up. Today I frame the question a bit differently. Today I ask, "How many of you make one or more follow up contacts with the customer after having provided them with a written quote?" To my continued surprise, less than 25% of the class calls back ... even once! Wow, that's scary.

I recently read that 80% of all salespeople NEVER call back after having provided the customer with a written quote. That, at least to me, is an amazing statistic. Please write this down, put a sticky note on your sales pad, and stencil this on the back of your wrist: Persistence = Sales

Persistence is the key to sales. Want to hear another statistic from the same source? Seventy percent -- yes 70% -- of all sales are made after the fifth contact with the customer. To be honest, the statistics I am quoting apply to all sales people in all professions. Our profession is

a bit different. The average salesperson closes 25-30% of their sales at the conclusion of the initial presentation, so in that area we are a bit better than "all salespeople." However, based on my class question, and 26 years of working with contractors, we are not all that different than others when it comes to follow up.

You have all attended marketing classes, so you know the cost of creating a lead is very expensive. Some contractors' only marketing investment is the yellow pages. If that is you, sign up for a marketing class ASAP.

On the other end of the spectrum, I just completed a Company Overview with a contractor who had "budgeted" a bit more than \$950,000 over the coming 12 months for marketing. He does about \$11,000,000 in gross sales, so that means 8.6% of his gross income is budgeted for marketing. Notice I said he "budgeted" those dollars. Translated, that means he had solid plans concerning how he was going to market his company over the coming months AND those dollars were part of his budget. Therefore, it was included in part of his hourly rate. Remember, the customer pays for everything -- it's all ground into (or should be) the hourly rate you end up charging the customer.

Yes, I am a bit off-topic here, but the point is easily made. A well-run company spends

a lot of money generating a lead. You made the investment, you have the lead, and the presentation has been made. Doesn't it make sense to follow up with the customer? Just closing one or two more leads per month can make a huge difference in the company's overall gross sales. Do the math for your company, the numbers may surprise you.

More than 26 years ago, before I founded Grandy & Associates, I was the general manager of a service company. I cannot tell you how many salespeople spent anywhere from 15 minutes to an hour or more in my office telling me about the product and/or service they offered. The irony is this: I actually would have purchased many of the products and services they offered but ... they NEVER called back! Did you hear what I said? I would have purchased their product or service, but they never called back.

Your potential customer is about to hundreds or thousands of dollars for cleaning services. Sure, 25% will decide on the spot. But what about the other 75%? They need time to think about it, discuss it with their spouse, or perhaps look around a bit more before they make their final decision. What if the customer was you? You just had presentations from three contractors. Two contractors never called back while the third called back routinely (in a gentle, friendly, non-pressure way). What are each telling you, without saying it?

As a consumer the two that don't call back are either telling me they are not really interested in my business and/or they are saying they are too busy to do my work. Besides that, I am thinking to myself, "If they won't take the time to call back, what's the probability they will show up if they did get the job?" Bottom line, you think they don't care about having my business. The third contractor "must" want my business because he or she continues to follow up. Assuming the customer really wants the work done, which contractor do you think the customer will choose? Which would you choose?

We have an unwritten rule in our company when it comes to following up on leads. We call back, call back and then call back again.

Eventually one of two things will happen. The contractor and/or organization will either schedule a seminar and/or consulting project, or they will tell us they are not interested. Either answer is fine. The amazing thing, in our case, is that 90 percent of our work is actually scheduled when we call back. Less than 10 percent actually call back to say they want to schedule a program. By the way, it is typically six months to two years before the decision to use us is made. Get the point?

Keep one simple fact in mind. Neither our company, nor yours, is usually the number one priority in the customer's life. If the customer is not called back (your initiative) they will soon forget about you. The key to sales is persistence.

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