

 *The* **MSP's Ultimate Guide**
to **Cold Calling**



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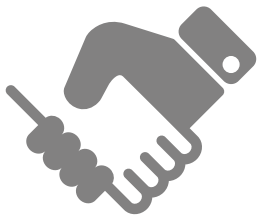
Introduction

Cold calling is all about starting relationships and creating conversations that turn cold calls into warmer calls and warmer calls into hot opportunities. But you can't start reaping the benefits of that process unless you start making cold calls.

MSPs and IT service providers largely ignore cold calling as a marketing tool, though. According to a recent survey of MSPs conducted by Barracuda MSP, only 22 percent reported that they are currently using telemarketing or cold calling as part of their marketing strategy. A full 43 percent say they don't plan to start using it in the future.¹

That's short-sighted. Even though most people don't enjoy making cold calls, it's still a rewarding way to generate leads and keep your pipeline full. And, with fewer calls muddying the waters, [it's more effective than ever](#).²

Cold calling takes patience and persistence, though. According to recent research, it takes [18 dials to connect with a buyer](#).³ But the payoff is worth the wait. You have a [56 percent greater chance of reaching your sales goals](#) if you engage buyers before they reach out to a seller,⁴ and [the first vendor to reach a decision maker and set the buying vision has an average close ratio of 74 percent](#).⁵



Remember, no conversation is ever a waste of time, and a successful pitch will always get you one step closer to the sale.



How to Get Started



Call it cold calling. Call it telemarketing. Call it prospecting. Call it whatever you want, but as a managed service provider, you need to start doing it. Did you just think of a bunch of reasons why you aren't using cold calling to grow your business? Here are five reasons those excuses are no good.



Excuse: You don't have time.

Make the time. As the owner of a small business, you'll always have a crisis to handle, a client who needs something, or a long list of tasks that need doing. You're never going to leave the office with your work 100-percent done. You can, however, go out of business if your pipeline is 100-percent empty. New business is essential to the growth and survival of your company. To keep a steady stream of new clients coming in the door, you have to [keep bringing in new leads](#). Block off an hour a day to focus on cold calling, mark it as busy on your calendar, and honor the commitment.



Excuse: You don't have the tools to do it properly.

All you really need to get started is a phone and a list of people whose business you'd like to win. You can probably make that list for free using the Internet. If you're a small business owner, you're not going to spend more than a few hours a week on business development. You don't need a fancy system to track 20 calls a day. One day you can buy a CRM system. Today, just go find a pen.

When selling IT support, you need to create an introductory pitch that describes what you do, not how you're going to do it, or what you're going to do it with. The first contact you will likely pitch will be non-technical and you need to sell them on an idea. They will need to "get it" quickly as they will only take a moment to decide if you are going to get more time with them or anyone else in their organization.

—Carrie Simpson



Excuse: Cold calls bother people.

This excuse just means cold calls bother you. Ask yourself, why is that?

Do you hate the idea of receiving cold calls? You're busy, but you owe it to your business to learn about new processes, products, and services that might make your company better. You don't need to take every call that comes your way, but you should be open to new information from new places.

Do you hate the idea of making cold calls? You have a unique stake in the outcome of your cold-calling initiatives, so it's time to get past that discomfort. You're building your business. No one is more passionate about it or more invested in its success than you are. You're an expert and love what you do, so you should tell people about it. Cold calls are a chance to do that.



Excuse: You get plenty of referrals.

Today you get plenty of referrals. Tomorrow you might not. Referrals are flattering, but they aren't a sound long-term business development strategy. Start using prospecting to lay the foundation today for a steady sales pipeline tomorrow. Referrals don't require the work that cold calling does, so the referrals should keep coming regardless of what you're spending your time on.



Excuse: Cold calling is dead.

Your competitors are glad you think so. It means fewer callers are muddying the waters for them. Cold calling is still very much alive, and those who learn how to do it well will find it to be a cost effective and efficient way to find new business opportunities.

How to Handle Objections

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If you've added cold calling to your sales and marketing strategy, you've likely been told "No, thank you!" in more ways than you can count. Rejection and objections are part of the process, and there are multiple ways to navigate them successfully.

If a prospect's objection is "We already have that," this could mean one of several different things:

- They already have a managed services contract in place
- They have a time-and-materials or break-fix agreement with an outsourced IT service provider
- They have an agreement with one IT consultant who comes in as needed
- Someone in-house is responsible for IT in addition to their current job
- They have an in-house IT person whose sole role is IT support for the company
- They have an in-house IT team
- They just don't want to talk to you

Ask follow-up questions

You need to find out what they mean by, "We already have that." Try questions like:

"Great—tell me what is currently working well for you?"

"Fantastic—who are you working with now?"

"I understand. It's pretty rare that I call someone who doesn't already have IT support in place. What would my team need to bring to the table to earn your business?"



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All of these questions are open-ended, and none of them are so intimate that you'll need an extraordinary rapport to ask them. Avoid saying things like, "Do you mind if I ask you a question?" Instead, just ask your question. Keep your tone positive and upbeat. Sound curious, not confrontational.

The answer to that first question is the fuel that will keep the conversation moving forward. Once they begin talking, you can ask additional questions to learn more about what they "already have" and then discuss why you might have a better solution. You want the prospect to become comfortable enough chatting with you that they organically share what they're doing instead of you having to ask more targeted questions.

According to recent research,
it takes **18** dials to connect
with a buyer.



TOPO, The Sales Development Technology Report, 2015

But the payoff is worth the wait.

You have a **56%**

greater chance of reaching
your sales goals if you engage
buyers before they reach
out to a seller.



Sales Benchmark Index, How to Make Your Number in 2014

Approach the conversation in a fashion that doesn't lead with the worst case scenario. Don't go in talking about disasters and theft. Ask questions. Learn more about your prospect. Build a business case for a managed services contract that covers the unthinkable but focuses on the positive benefits that companies reap when they make that change.

—Carrie Simpson



6 Common Cold Calling Scenarios



Once you've identified what you're selling against, you can begin to build your business case and ask other questions to position yourself to win a meeting—and some business. Here are a few tips on how to handle the most common scenarios.

Scenario 1: They have a managed services contract in place

- Find out when it is up for renewal and get a commitment for a conversation before that happens. This is your highest percentage shot, especially if they aren't currently happy. These scheduled conversations will become your sales opportunity pipeline.
- Learn what they like about their current provider and ask what they would improve upon. This will tell you what you need to do to win their business next time around.

Scenario 2: They have a time-and-materials or break-fix agreement

- Ask when they last had a complete network health assessment.
- Ask how often they meet proactively with the team to discuss changes and trends in security and technology.
- Ask if their business could survive a data breach and if they are 100-percent protected from one.
- Ask who's responsible for their disaster recovery plan and how often it's updated.

Are you pitching everyone who will talk to you? You should be. Use these conversations to qualify accounts so you don't waste precious dials trying to reach decision-makers who don't need your services.

—Carrie Simpson

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Scenario 3: They have one IT consultant

- Ask how many hours of support they needed last month and how many computers that person supports—you might not want this lead.

Scenario 4: Someone at the company divides their time between IT and another role

- Discuss opportunity cost. Try doing this in the form of a story. For example, you don't do your own accounting because your billable time is worth X, and your accountant charges Y. It doesn't make sense for you to spend your time doing something you're not good at because it costs money in the form of time you could be using to make money. Then, ask how much time that person spends on IT. If it's an hour a week, you might not want this lead.

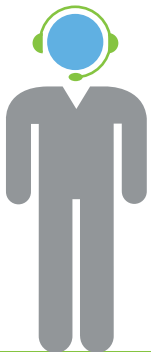
Scenario 5: They have one in-house IT person (and you're prepared to do project work)

- Ask when they last had a complete network health assessment. Fresh eyes might catch something that has been overlooked or ignored due to time constraints. Remember, you have a full team of experts with recent certifications and a firm grasp of all the trends and challenges that are facing companies just like theirs.
- Ask what changes are coming up that their IT person might require additional support for.

Scenario 6: They have an IT team (and you're prepared to do project work)

- Ask what their process is for selecting new vendors. How do you position your company to get the next call they make to an outsourced provider?
- Ask what projects might be coming up that will require outside support. When was their last major investment in IT infrastructure?

If they just don't want to talk to you, thank them for their time and ask if you can send them information to keep on file in case there is a future need. Check in regularly. Sometimes being respectful and charming for long enough will pay off.



How to Break Through

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If everyone picked up their own phone every time it rang, cold calling would be easy. Unfortunately, that's not the case, and there is nothing as frustrating as a gatekeeper shutting you down before you've even had the opportunity to explain why you're calling.

If this happens to you regularly, head back to the drawing board and examine how you're opening your conversations. Your elevator pitch should be compelling enough to get you past the gatekeeper.

When you're selling managed services, you should be pitching the gatekeeper the same as you would any other decision-maker. They feel the pain of poorly handled IT just as much as or more than any other person in the company—especially if there is a single-point-of-contact contract and they are that contact. They likely handle the vendor relationships as well, so don't think that the gatekeeper doesn't have the ability to help you win business.

But what do you do when you can't even pitch the gatekeeper? What if they absolutely refuse to engage? Here are a few things you can try when you're getting shut out.



The "Party Crasher"

If you look like you belong somewhere, nobody asks you any questions. Confidently ask for your contact in a way that tells the person answering the phone that they really should know who you are.

"It's Carrie
Simpson calling
for John."

"Is John available
now? It's Carrie
Simpson calling."

"Can you please let John
Smith know that Carrie
Simpson is calling?"

"John Smith,
please."



Remember,
people
don't buy
technology;
they buy
interesting
ideas from
people they
like and trust.



The "How did I get here?"

People love to help. Ask for help instead of demanding an audience.

"Oh, I'm sorry! I thought this was John Smith's direct line! It's Carrie Simpson calling. Sorry for the interruption. Can you transfer me to John?"

"I need to send an email to John Smith. Can you share that with me? Oh, wait, no—I need to ask him something first. Can you transfer me, please? It's Carrie Simpson."

"Hi, I really hope you can help me! I've been trying to reach John Smith for a few weeks now. Can you suggest the best time to call him next, or can you calendar a few minutes for me?"

"Hi there, I've been trying to reach John so I can prepare a quote for IT support. Is he the best person for me to chat with about this?"



The "Early Riser"

This is an easy one. Call in before office hours and use their dial-by-name directory.



The "Night Owl"

Call after the switchboard shuts down for the night. How often do you leave your desk on time? Odds are your contact works late sometimes, too.



The Gift

Don't discount the power of a hand-written note, a small Starbucks card, or another kind of treat to warm up a gatekeeper. Most people won't hang up on someone who just sent them a note and a gift card for lunch.

Yes, it's a more expensive strategy. But assuming you're doing targeted prospecting, you'll have a carefully cultivated list of a few hundred leads to target, and \$5 or \$10 to reach that lead is not a huge expense.

Conclusion

If you're considering adding cold calling to your MSP marketing strategy, you're on the right track. When it's done right, cold calling can be an effective and affordable way to generate new leads, which are essential to growing your IT services business.

Sharpening your cold calling skills takes practice, though, so stop making excuses and start putting the advice in this e-book into action. Block off the time in your calendar and commit to making a certain number of calls each day or each week.

And as you get better at cold calling, try to spend a few minutes at the end of each call engaging in a more personal way if the prospect isn't rushing you off the phone. Talk about your kids or ask about their interest in golf. You just want one minute where they see you as a real person, a person they might like to talk to again sometime, and not a nameless faceless sales rep.

SOURCES

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4. Sales Benchmark Index, [How to Make Your Number in 2014](#)
5. Forrester, [Q4 2012 Global Executive Buyer Insight Online Survey](#)



Watch our on-demand webinar "[Cold Calling Is Dead. Or Is It?](#)" to learn more about how to use cold calling to grow your MSP business.

About Barracuda MSP:

As the MSP-dedicated business unit of Barracuda Networks, Barracuda MSP enables IT managed service providers to offer multi-layered security and data protection services to their customers through our award-winning products and purpose-built MSP platform. Barracuda MSP's partners-first approach focuses on providing enablement resources, channel expertise, and robust, scalable MSP solutions designed around the way managed service providers create solutions and do business. Visit barracudamsp.com for additional information.

About Managed Sales Pros:

Managed Sales Pros has a successful track record of growing the MRR of MSP clients. Making over 50,000 managed services cold calls per month, their team is trained specifically to engage with decision makers to present the managed services value proposition. Their managed services prospecting process gets predictable and repeatable results for IT companies of all sizes and budgets. Learn more at www.managedsalespros.com.

About the Author: Carrie Simpson is the founder of Managed Sales Pros. She teaches IT firms how to build, manage, and grow sales pipelines.