



White Paper #22

Stop Calling, Start Reaching!

Using Calling Cadences to Improve
Sales Development Close Rates

October 7, 2016





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Makes Market Leaders

ASSEMBLY is the first SaaS solution that has been designed from the ground up to run high-velocity, web-meeting sales assembly lines. The company's Sales Assembly Line software uses many of same techniques that traditional manufacturers use to boost operating results. By employing artificial intelligence, cloud computing, data-mining and advanced statistics, B2B sellers are now able to simultaneously lower the costs of sales while dramatically improving their throughput and close rates. It is the only software package that allows sales teams to use A/B testing to determine what factors influence a prospects buying decisions and then use this data to enhance sales results.

By optimizing performance, ASSEMBLY helps B2B sellers to mass produce sales and quickly scale so that they are able to quickly overwhelm their competition and achieve an undisputed market leadership position.

“Very often, the process of building out your sales capability falls to the bottom of the daily to do list.”



Introduction

Outbound prospecting is a critical component of any high-velocity sales assembly line. When done correctly, it is a powerful way to contact and hopefully set appointments with prospective customers. Traditionally, to improve the number of prospects reached, sellers simply had their sales development teams increase their call or email throughput or volume.

However, as more and more companies adopt a defined sales development function, these traditional outreach approaches have become less and less effective. Recently, a new approach, known as calling cadences, has shown tremendous promise. Under this methodology, sellers combine multiple contact approaches into a single, tightly scripted campaign. Sales assembly line sellers have found that their reach rate and close rates have more than doubled when using Calling Cadences. This white paper will provide you with an understanding of what a calling cadence is and how it can be used in your sales assembly line environment.

Traditional Contact Approaches

Most sales development teams specialize in one type of contact approach. A recent study by the Bridge Group, which studied over 300 sales development teams, found a 50/50 split between SDR groups that identified themselves as email centric or call centric. Within the industry, there has been a fair amount of disagreement over which approach leads to a higher appointment rate with leading commentators arguing persuasively for either option.

However, there is the consensus that most outbound prospecting operations woefully underperform. After extensive research by Hubspot.com, it was discovered that sales development representatives who focus on calling typically only place 1.3 calls per prospect before giving up. Similarly, when emails were employed, 70% of SDRs stopped emailing after one failed attempt. This general lack of persistence is widely believed to be a contributing factor to traditional low conversion rate. In fact, InsideSales.com found that to achieve an optimal result, a caller must attempt a to reach a prospect seven to nine times. Similarly, Heather Morgan of SalesFolk.com found that a sales development representative might need to send eight to ten emails before a positive response was achieved.





“While contact tenacity is clearly an important driver of a successful outbound program, calling/emailing a prospect over and over again is not an ideal solution.”

As contact persistence has been widely embraced by sales development teams, prospects have been deluged with a never-ending progression of phone calls and emails. Unfortunately, we have found that this brute force method of contact throughput has become less and less effective. The dramatic increase in call and email volume has simply left prospects feeling harassed and turned off from the product being offered. Certainly, calling/emailing over-and-over again has not helped prospects truly understand the solution’s underlying value proposition and why the prospect needs to engage with the seller at that time.

Understanding the Basics of Calling Cadences

While contact tenacity is clearly an important driver of a successful outbound program, calling/emailing a prospect over and over again is not an ideal solution. Instead, to increase contact and close rates, sales development teams must consider *how* they are being persistent. Instead of doing the same thing over- and-over again and hoping for a better outcome, a more sophisticated strategy is to diversify the by combining different contact approaches when reaching out to a prospect. After-all, some people respond better to calls than emails or vice versa. While sales development representatives have sometimes tried to do this in a haphazard manner, a better approach is to undertake this task in a systematic fashion. Specifically, for an identified persona and calling purpose, a specific sequence or schedule of contacts types should be defined. This is known as a calling cadence and in its simplest form it might look something like this:

Day	1	2	4	5	7	8	10	11
Contact Type	EM1	PC1	EM2	PC2	PC3	EM3	PC4	EM4

Recently, InsideSales.com studied the impact of voice-mails when outbound prospecting. It discovered that 66% of B2B recipients will listen to the message. Moreover, while they will not necessarily call back, it was shown that the next time a sales development representative called, the prospect was much more likely to respond positively. With this in mind, it is often beneficial to include voice-mails in the calling cadence so that it resembles the following:

Day	1	2	4	5	7	8	10	11
Contact Type	EM	PC	EM	PC	PC	EM	PC	EM
				VM			VM	





While the above are the basic components of a calling cadence, sales development teams also might consider inserting other types of contact approaches. For example, using social media such as InMessages from LinkedIn can be a powerful addition, although sellers should be aware that they run the risk of being considered too invasive. Another approach that is equally as powerful but is less likely to turn the prospect off is to employ some sort of gifting. For example, the sales development representative can send a Dunkin Doughnut ecard for a free cup of coffee.

In sum, by diversifying the type of contact attempt while still meeting overall persistency goals will lead to a higher contact rate. More importantly, depending on how emails and voicemails are used, it is likely that the seller will be in the position to better educate the buyer on the solution being offered. This on-going education process should increase the likelihood that once a sales development representative gets a prospect on the phone, the prospect will be more likely to listen to the pitch and respond positively. By increasing the close rate at the same time as the contact rate will serve as a powerful multiplier that will enable a sales development team to schedule dramatically more appointments for the account executives.

Best Practices of Calling Cadences

Although it would certainly be easier to implement, the one perfect cadence doesn't exist. Instead to optimize the contact and close rates, a cadence must be customized to match the calling operation. While the concept of formalized calling cadences is relatively new, there are a number of best practices that have been established. Below are some helpful hints when implementing a winning calling cadence strategy.

1. **Type of Target:** Different cadences should be used depending on whether the SDR is responding to an inbound lead or calling a cold outbound prospect. For example, when calling an inbound lead, it is likely that the prospect has already done a degree of research on the solution being offered. As such, it is probably not as beneficial to provide the lead with educational information. In addition, as the lead is ready to engage, the SDR can follow up more aggressively by making more call attempts in a shorter period of time.





2. **Purpose of Call:** When designing a cadence it is important to keep in mind the purpose of the call. For example, if the outbound operation is being used to support a transactional sale, it might be beneficial to employ a more aggressive cadence that has the SDR making more calls in a shorter period of time. In an account based sales situation, better results might be achieved by elongating the cadence and employing more emails which is less likely to put off the prospect being targeted.
3. **Prospect Persona:** The persona of the prospect being targeted should be carefully considered when developing a cadence. For example, if the outbound campaign is targeting a c suite executive, it is often more beneficial include more emails that contain educational information.
4. **Length & Time:** One of the key decision surrounding successful cadence is how many prospects touches should occur over a set period of time. In general, research has shown that contacting a prospect between 7-10 times is the ideal number before diminishing returns kick in. Moreover, due to short attention spans of prospects, it generally believed that cadences should last a maximum of 3 weeks, with 14 days being the ideal length of time.
5. **A/B Test:** The best way to optimize a calling cadence is to perform an A/B test. Under this approach, two different cadences are employed to similar prospects at the same time. The one that has a higher contact or close rate wins and should be widely used by the sales development team.
6. **Consistent Messaging:** A critical component of any cadence are the voicemails and emails that will be employed. To optimize the contact and close rates, it is important to ensure that the messaging is on-point and consistent. To effectuate this, sales development representatives should work off templates that can be personalized to the prospect.

Sample Calling Cadences

See below for three cadences that demonstrate many of the concepts described above. These cadences have been battle tested and will likely lead to both higher contact and close rates.

The Hammer
 Aggressive Outbound
 Transactional
 Line Manager

Day	1	2	3	5	7	8	10	11
Contact Type	EM1	PC1	PC2	EM3	PC3	PC4	PC5	EM5
		VM1			VM2	EM4	VM3	
		EM2						





The Educator

Passive Outbound
 Account Based Sales
 Vice-President

Day	1	2	3	5	7	8	10	11	13
Contact Type	EM1	PC1	EM2	EM3	PC2	PC3	EM4	PC4	EM5
						VM1		VM2	

The Bird-Dog

Aggressive Inbound
 Transactional

Day	1	2	3	5	7	8	10	11	13
Contact Type	PC1	PC2	EM3	PC3	EM4	PC4	PC5	PC6	PC6
	VM1	VM2		VM3		VM4		VM5	VM6
	EM1	EM2				EM5			EM6

Cadences and Assembly

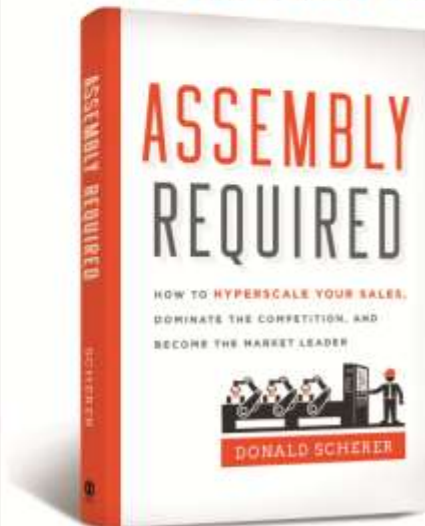
Calling cadences are an important tool to help sales development representatives not only reach prospects but also improve their overall close rates. The Assembly system allows the user to create customized calling cadences. For each batch of prospects, the user define the contact type along with the script that should be employed by the SDR. Of course, as with any other process in the Assembly solution, users can A/B test cadences to discover which approach will lead to a higher appointment close rate.





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ABOUT THE AUTHOR

DONALD SCHERER was the CEO and Co-Founder of CrossBorder Solutions, one of the world's largest tax software companies where he developed the sales assembly line methodology outlined in this book. He is now the CEO of AssemblySales.com which has developed the first enterprise software solution that has been designed from the ground up to optimize sales assembly lines. Further information on ASSEMBLY can be found at www.AssemblySales.com and on Twitter @AssemblySales. Follow Donald on Twitter @Donald_Scherer.

