Uncovering Sales Gaps Among Long Distance Telecoms

by *David Lithwick*

Introduction

To illustrate the difference between business to business and residential sales gaps, we carried out a mystery shop where 3 long distance companies were investigated.

The scenario our shoppers used is, "I am considering changing my long distance telephone company and would like some information to make a decision. Can you help me?"

Two tables capture key differences we frequently see in our audits between business to business and residential sales rep delivery (see next page). Recommendations follow.

Method

- 6 shoppers were used (one per call)
  3 were small business owners, the others were residential customers.
- Each shopper practised their shop to
  "Bring them up to speed" and to work out any glitches in the fill-in sheets.

Recommendations

1. Professionalism

✔ Educate reps on taking the necessary time to assess customer needs. This will increase the likelihood to satisfying customer expectations and closing the sale.

Rationale

Through reps are generally confident and friendly, they are definitely weaker in listening to customer needs and expectations.

2. Information Giving

✔ Train reps to inform prospective customers on features beyond basic service rates.
✔ When a rep does not know these features, provide him/her with a fact sheet for quick reference.

Rationale

Reps were effective in explaining basic rates. However, they were weak in explaining other cost savings and reluctant to communicate non-pricing features.

3. Citing Benefits

✔ Train reps to integrate their own long distance calling success stories into their sales pitch.

Rationale

Not one rep convincingly addressed competing service plans, and few brought their own experiences into the conversation.

4. Selling

✔ Reps should have a fact sheet listing effective arguments to counter alternative carriers.
✔ They should also be instructed on closing techniques. At a minimum, this could be a simple question: "Would you like to sign-up?"
✔ Set up a system to automatically respond to *each* inquiry.
Sprint was the sole carrier or follow up residential inquiries.

Rationale

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Sales performance, particularly with residential reps, was at best only "fair". Most consumers, when considering a new long distance supplier, will be comparison-shopping and hence, interested in alternative carriers.

5. Brochure

- ✔ Every brochure faxed to a prospective customer should include a cover page capturing those critical points highlighted in the sales conversation.
- ✔ Invigorate brochure creativity with more "act now" incentives. For example, a follow up fax could include a $15 rebate coupon for first month of service.

Rationale

Details regarding benefits, rates, service plans, etc., are extensive. Some customers shopping around will likely be overwhelmed. Hence, customized fax cover sheets and creative impacting will help stimulate reader interest and purchase decision.

Conclusion

A mystery shop uncovers competitors sales inefficiencies to capitalize on. Management is also provided with assessment of their own company's delivery.

Even though business to business reps frequently outperform residential reps, there are gaps amongst both groups that should be eliminated

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Table 1 – Scoring						
	Business to Business			Residential		
Area of Investigation	**LDT #1**	**LDT #2**	**LDT #3**	**LDT #1**	**LDT #2**	**LDT #3**
Being Professional						
Waited under 3 minutes for contract	Y	Y	Y	B	Y	Y
Rep did not rush shopper	Y	Y	Y	N	N	Y
Rep was friendly	Y	Y	N	Y	Y	N
Shopper's needs probed	Y	Y	N	N	N	N
Listened to shoppers expectations	Y	N	Y	N	N	N
Rep was confident	Y	Y	Y	Y	N	Y
Total # 'Yes' scores	**6/6**	**5/6**	**4/6**	**2/6**	**2/6**	**3/6**
Providing Information						
Rep explained rates	Y	Y	Y	Y	N	N
Rep explained payment options	Y	Y	Y	N	Y	N
Total # 'Yes' scores	**2/2**	**2/2**	**2/2**	**1/2**	**1/2**	**0/2**
Citing Benefits						
Clarity of phone calls	Y	Y	N	N	N	N
State of the art technology	N	Y	Y	N	N	N
Long distance savings	Y	Y	Y	Y	N	Y
Long distance telephone card	Y	Y	N	Y	Y	N
Total # 'Yes' scores	**3/4**	**4/4**	**2/4**	**2/4**	**1/4**	**1/4**
Selling						
Rep lead the conversation	Y	Y	Y	Y	N	N
Rep tried to cross-sell other options	N	Y	Y	N	N	N
Rep tried to close sales	Y	Y	Y	Y	N	N
Total # 'Yes' scores	**2/3**	**3/3**	**3/3**	**2/3**	**0/3**	**0/3**
Following Up						
Rep offered to mail material	Y	Y	Y	N	N	N
Rep suggested a follow up call	N	Y	N	N	N	N
Total # 'Yes' scores	**1/2**	**2/2**	**1/2**	**0/2**	**0/2**	**0/2**
# 'yes' scores / possible 17 Rating	**14/17 VG**	**16/17 VG**	**12/17 Good**	**7/17 Fair**	**4/17 Poor**	**4/17 Poor**

Table 2 – Mystery Shoppers' Comments		
	Rating	**Comments**
LDT #1		
• Business To Business • Residential	Very Good Fair	Rep cited solidness of their company to encourage me to stay. Rep was too hurried and overly confident.
LDT # 2		
• Business to Business • Residential	Very Good Fair	Very convincing on why you should switch to their service. Rep showed little interest in assessing customer's needs.
LDT #3		
• Business to Business • Residential	Good Poor	Sincere did not rush me. Rep rushed and then cut me off!

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