



Friends Don't Let Friends Cold-Call

Why I don't believe in cold-calling for
info-entrepreneurs



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I publish Bates InfoTips, a free monthly e-newsletter with tips, tricks and techniques for getting more out of your Web research. You can see back issues, and subscribe, at BatesInfo.com/tips I also publish the Info-Entrepreneur Tip of the Month (BatesInfo.com/ie-tips), specifically for people who run their own information business.

The part of my business that I enjoy most is offering customized business coaching services to new and long-time info-entrepreneurs. You can see more info on this at BatesInfo.com/coaching, or just email me (mbates@BatesInfo.com) and ask for my coaching FAQ letter.

I've also written a whole book about the info-entrepreneur profession - [*Building and Running a Successful Research Business: a guide for the independent information professional*](#). The second edition, published in 2010, is available through my [Bates InfoStore](#). I include half an hour of my business coaching services when you purchase the book directly from me.

I welcome any comments or questions you have regarding the material in this eTool.

Mary Ellen

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NOTE that this is for info-entrepreneurs who are selling their professional services. If you have a product, or a commoditized service (e.g., non-customized, plug-and-play workshops), cold-calling might work.

Like most independent information professionals, when I started my business I needed clients. I needed them badly. My first thought, like many other info-entrepreneurs, was to try cold-calling. My time is free, after all, and how else to I start generating the word of mouth marketing that I know will sustain my business?

As it turned out, I found that cold-calling was a fruitless endeavor. It was challenging and time-consuming to identify the key decision-makers, and even more challenging to get them on the phone so I could pitch my services. And at the end of a week of non-stop calling, I had no strong leads to people likely to use my services.

I have given much thought, and have had many conversations with other info-entrepreneurs about the efficacy of calling people with whom you have no connection, in order to generate business. The bottom line is that cold-calling is not an effective way to build your client base, and is in fact a waste of time that could be spent on more productive marketing activities.

Measuring Your Success

One of the challenges of marketing is that it is difficult to measure how successful a marketing campaign is. Info-entrepreneurs are, by and large, selling their time, which means that every hour that is *not* being billed needs to be an hour generating business that can be billed. For every hour we spend marketing, we have to be able to answer the question, "What do I have to show for this time?" We need to show tangible forward progress at the end of each day or it was not time well-spent.

If you spent eight hours cold-calling, you might have a lead at the end of the day. If you do not, you have spent time that you cannot get back and you have not moved your business forward.

Effective marketing efforts, on the other hand, *always* have something tangible at the end of the day. While you might not have a new client to show for your effort, you should be generating leads that you can contact regularly. If someone you cold-call

tells you she isn't interested, you can't follow up with an invitation to subscribe to your newsletter or follow your blog; you had one opportunity to contact that person, and you have now used up that opportunity. On the other hand, doing public speaking, writing, blogging, and volunteering for a member-facing job with your clients' association all give you reasons to contact your prospects at least once a month. This means that a day spent doing volunteer work or queuing up blog postings is a day in which you have built your word-of-mouth network.

In planning your marketing activities, it is critical to articulate *why* you are doing this activity and what your *measurable* goal is for each activity. See the following table with some examples of how to measure effective marketing activities.

Note that these efforts all either involve or leave open the opportunity to "touch" each prospect multiple times.

Why cold-calling is not cost-effective

Cold-calling appears on its face to be a cost-effective marketing strategy, since it requires nothing more than your time, a telephone, and access to contacts. However, every hour you spend cold-calling is an hour you cannot get back and that *must* show results in order to be effective.

Let's say that you have just started your business. You don't have much of a professional network yet, and you are anxious to get clients as soon as possible. Here are two approaches to marketing yourself.

Scenario 1: You spend a full day making cold calls. At the end of the day, you have three people who are interested in having you meet with them. You have now committed to another 15 hours of marketing, without any reasonable assurance that they will turn into clients. How did I come up with 15 more hours? The total time involved for meeting with one cold-called prospect is at least five additional hours, once you factor in doing your background research on the prospect prior to the meeting, transit time to and from the meeting, the meeting itself, and the follow-up contact. So, at the end of six hours of cold-calling, you still have to invest *another 15 hours* in order to see results, and this assumes that you managed to line up three

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Measuring Marketing Effectiveness

Goal	Specific marketing activity	Tangible result
Build your LinkedIn network, in order to “touch” more people regularly	Spend two hours a week on LinkedIn, identifying prospective clients and contacts, and requesting a link.	Ten new contacts, who will be notified whenever you post an update.
Contact all your prospects monthly	Spend four hours writing, editing and sending out a client newsletter. Blog the newsletter. Tweet it.	Two new or existing clients contact you as a direct result of the reminder.
Establish reputation as thought-leader, subject expert	Write four thoughtful and/or provocative blog postings and queue them up for the next two weeks.	Your blog was mentioned in three other blogs with readerships you want to reach.
Establish reputation as subject expert	Line up speaking invitation <i>to group of prospective clients</i> (i.e., people who are likely to have the need and budget for your services)	<p>Initial result: promotion of the presentation - another reason to ping your prospects</p> <p>Interim result: You get 15 more subscribers to your newsletter (more people you can contact regularly)</p> <p>Final result: Two new clients from among the people who attended your presentation</p> <p>Bonus result: you post your slide deck on your web site, which you then Tweet about, further building your reputation as a subject expert.</p>

appointments. You have committed to investing at least 21 hours, on the hopes of getting three clients. What if you don't turn any of the appointments into clients? Then you have literally nothing to show for 21 hours of your marketing time.

Scenario 2: You spend one full day on strategic marketing activities. Two hours of work on LinkedIn can yield 10 people who you can contact regularly through LinkedIn updates. You spend another three hours writing your client e-newsletter and sending it out. What if you don't have many subscribers? That's OK! Post it on your web site. Mention it to your LinkedIn network. Tweet about it. At the end of six hours, you have build up your network, surfaced your expertise by your newsletter, and contributed to the valuable content on your web site, which people will see for months to come.

While the first scenario looks promising - the chance for three follow-up meetings -this does not take into account the full amount of time required for each prospect, and it assumes that you are able to convert those prospects into paying clients. One-on-one marketing requires far more time, with far less of a likelihood of success, than the broadcast marketing techniques described in the table above.



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