
SECTION 3

PROFESSIONAL'S SELLING
PROCESS

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BIG HAT, NO CATTLE

Texans call people who live the life of the rich and famous, without real wealth, “Big hat, no cattle.” Take notice of the people with whom you are networking. Do they have the resources to pay your fees and grow with you or are they “Big hat, no cattle?”

In *The Millionaire Next Door*, authors Thomas J. Stanley and William D. Danko assert that the typical millionaire has a boring business and can be met in a trade association. Most millionaires do not flash their wealth. Rather, the authors found, “People who look like they are living the good life may not have much wealth.”

Finding Wealthy Prospects

The book points out that very often those who supply the wealthy become wealthy themselves. The authors state, “There are significant opportunities for those who target the affluent, the children of the affluent, and the widows and widowers of the affluent.” They estimate hundreds of billions of tax dollars will be paid to the federal government during the next ten years. Professionals advising families and serving estates will earn huge fees to help conserve as much wealth as possible.

The science of qualifying starts with the segment of the market you select for networking and communicating.

Segmenting your market into least likely, possible, and most likely categories will assist you in deciding where to invest your networking time. Prospecting a target-rich segment of the market just makes good sense.

Stanley and Danko's research is comforting news for professionals who are networking in trade associations. They sent out 3,000 questionnaires to affluent Americans and conducted about 100 in-person interviews. Their findings build on some of Stanley's earlier research, published in his book *Marketing to the Affluent*. About two-thirds of working millionaires are self-employed and own mundane businesses like scrap metal, welding, highway construction, and dry cleaning.

The wealthy list their CPAs and attorneys as their trusted business advisors. The millionaires list tax shelters, disciplined investing, and extreme thriftiness as keys to their amassing real wealth.

Conclusion

How can you profit from the advice in this book? First, make one of your priorities to aggressively network with your affluent clients and acquaintances. If necessary, give up time you are spending with less-promising clients. Second, pay attention to the next generation of owners of your clients' businesses. When the business ownership and management changes, you don't want them changing professionals.

Third, become involved in an industry trade association. Most affluent business owners value their trade associations above all other organizations. Fourth, become an advocate of the wealthy. Write your senators and legislators on matters that can help your clients. (Send a copy of letters to your affluent prospects and clients with a note saying, "This is an issue that probably affects you.")

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NEAD-PAY

NEAD-PAY is an acronym (slightly misspelled) for a pattern of asking qualifying questions. When you religiously follow this pattern, you will have a good idea about the prospect's qualification to do business with you.

N stands for *Now*. Ask the prospect "Who are you using *now* for your advice?" The answer to this question tells you the names of your competition and perhaps the names of other advisors. When you know the names of the entrenched competitor, you may have some idea about their reputation, clients, and personnel. Another question to ask might be, "What are you doing *now* about your legal protection (or your tax situation)?"

E stands for *Enjoy*. Ask the prospect, "what do you *enjoy* or like about your present accountant or lawyer?" Or ask it another way, "Do you feel good when you are working with your professional?" or "What do you like most about....?" When you ask questions about what is good about your competitor, you relax the prospect. You also may receive some insight into the next question.

A stands for *Alter*. Ask the prospect, "what would you *alter* about the service you receive?" Or you could ask, "If you had the perfect relationship with your professional, what would you *alter* to make you perfectly happy?" Prospects'

motivation to change to you is created by your making them dissatisfied with the status quo.

D stands for *Decision*. Ask questions about the *decision* process, the *decision* makers, and the *decision* criteria. Questions like, “Who, besides you, is involved in the *decision* to hire a law firm?” Or, “The last time you changed accountants, how did you go about the process?”

PAY stands for *payment*, budget, or money. A good question around this point might look something like this, “Bill, our firm has many clients who engage us because they want the very best and money is no object. Others hire us to do a job for them, but they know we can serve in a variety of ways. Some few clients really watch the pennies. What type of client might you be?”

If this question seems too abrupt to you, it is because you haven’t established enough rapport with the prospect at this point. You must use finesse in asking these questions. You may want to keep the interaction conversational. You might even find it better to ask these questions over a series of meetings.

Conclusion

Prospects buy emotionally and justify with logic. Therefore, as you progress in the qualification process, you must get at the emotional reasons a prospect has for hiring you. NEAD-Pay is a way to uncover transactional or logical information. If you can uncover the emotional hot buttons, such as comfort or prestige, you will have information that will help you close the sale.

Don’t stop with the answers to these questions. Keep asking more questions and nurture your prospects with every question.

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TOO BUSY TO GROW?

Is your firm running at capacity? Do you think that what you need is a few more associates with 5-10 years experience, not more business? If this is you, you probably haven't done a good job of qualifying your clients. A key objective of good marketing is to attract *better* clients, not just *more* business.

Highly qualified clients usually have benefits for you in four areas: more profits, more fun, more leisure, and more learning.

More Profit

Evaluate the relative profitability of each client. List your clients from largest discount to largest premium in size categories, and by season. Apply a cost factor to each client and then re-sort the clients based upon total profit per client. Then select the least profitable 5% of your client base. You should dramatically increase pricing on these clients or out-place them to another service provider.

Value Pricing. The best method to increase your profits is to improve the value of your service and to price your service based upon value. Professionals, who focus on creating client value, yield high profits for themselves.

More Fun

You have more fun when you work with clients you enjoy. It might be their personalities, the types of issues, or their industries. It might be novelty.

Some clients just don't fit your personal style, or are all around difficult types. Consider dropping at least one undesirable client. Your professional life will be more fun.

Aggressively pursue a new client who you think will be more fun. Now is a great time to upgrade your fun quotient.

More Leisure

For most people, their most productive work occurs after a period of rest, not after having worked ten 15-hour days straight. Exhausting yourself creates burnout, low creativity and poor staff relations.

Prepare your calendar with days of leisure included. Don't violate your planned "free" days. Your professional days will be more productive and satisfying.

More Skill Growth

I've met professionals in their 40s and 50s who are bored to tears with their work lives. The main reason seems to be because they have been doing the same thing for 25 years. In contrast, professionals who continue to build skills seem to enjoy their professions deep into their 50s, 60s, and 70s.

Conclusion

A successful firm is about more than gross billings. By selecting the right clients, you can have more profits *and* more fun.

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**USE THE “DAVID LETTERMAN” DISMISSAL FOR
UNQUALIFIED CLIENTS AND PROSPECTS**

Ever watch David Letterman dismiss a guest on his show? He simply stands up, looks the guest in the eye, shakes his hand and says, “Thanks for stopping by; good luck with your new movie.”

Firing Clients

You may have many clients who are really unqualified to do business with you. Clients who don’t pay the bills on time, who require more service than they pay for, and who irritate you and your staff.

If you fire the client, you stand the chance of antagonizing him. If your client leaves angry, he will tell many other people in your community. Why not arrange for your unqualified client to meet with another professional who can serve the client’s need well? Once you have made the introductions and explained the benefits of these two working together, stand up, look the former client in the eye, shake her hand and say, “Thanks for being my client, good luck with Bob. I know he will really take care of you.”

Networking

The same situation holds true when you are networking at a business mixer or trade show. You can waste a lot of time

chatting with unqualified prospects. In fact, the more unqualified the prospect is, the more he seems to linger around you. So what do you do?

First, make it a rule to not give any unqualified prospect more than two minutes of your time at a networking event or trade show. Second, say, “Thanks for stopping by, I hope you enjoy the evening.” Third, turn and move on to the next person in line, or step across the room and “capture” a more qualified looking person.

Conclusion

Using a series of qualifying questions will enable you to determine quickly, if this person is qualified to do business with you. Many people you meet will not be. Use the David Letterman dismissal and invest your time with prospects who are qualified.