



Advance Sales

By Daniel M. Isard

The Key to Advance Sales

There is only one key to advance sales, and it makes or breaks a sales program: You need a consistently applied lead generation program. Let me explain in detail.

I started my professional life in the insurance sales world, and I learned early on that a sale has a cycle. The first step of the cycle is the lead generating program. As a young life insurance salesman I experimented with many different lead generation programs until I found what worked for me. The common thread to having an advance sales program is that you need to start with leads.

I learned from the likes of Larry Wilson (author of “The One Minute Manager”) and other analytical observers of the sales process that the results of the sales cycle are predictable. For example, if you have 10 lead cards, you are going to have about seven appointments set. Of those appointments, some will cancel – resulting in about five appointments kept. Of those five, possibly one or two will have no ability to

make a purchase, resulting in about three qualified presentations. Out of this process, you should have one or two closings. Seems simple, right?

Let’s build that forward. If you have one closing per 10 leads, we know that in the cemetery and funeral world that on average results in 1.5 sales. The reason for this odd number is that half the time you are meeting with a single person and half the time with a couple. When a couple says yes, they are saying yes for two sales but the single person only themselves. Therefore, the result is 1.5 sales per closing.

The next step to build this forward is to determine your production objective. If you need to have 150 sales per year, then you need to make about three sales per week. However, we know that sales are slow from mid-December to mid-January. So

rather than assuming an equal distribution of sales over 52 weeks, I recommend 45 weeks. So, 150 sales over 45 weeks results in a production objective of three-plus sales per week. Therefore, if 10 leads equal 1.5 sales, then you need a bit more than 20 leads, week in and week out, to give you the chance of hitting your production objective.

Remember, the goal is to have a process in place so that the salesperson has the right amount of leads to result in the sales objective. If you are going to follow this path, you need a sales program that will generate about 1,000 leads during the year. Do you know the one program that will generate about 1,000 leads a year? It is simple ... there isn’t any one program (right, a trick question)! So, the objective is to have multiple lead generation programs.

Lead generation programs are simple – just like making a soufflé! You can read how to make a soufflé in many magazines, but you can learn best by watching a chef and learning his technique. For example, suppose you wanted to use direct mail. The typical way of doing this is to rent a list, write a letter and then wait for the reply cards to come rolling in. Mailing 10,000 letters could cost anywhere from \$2,000 to \$8,500 plus printing and stationery. You might think you are going to get a 0.5 percent reply rate no matter what, so you mail the letter the cheapest way possible. Ah, the technique is going to present you with scrambled eggs, not a soufflé!

By going first class mail, you might get faster delivery, accurate delivery and more people opening the letter, rather than throwing it out unopened. The first class, presorted mail might cost 400 percent more, but if you get a 1.5 percent reply rate, your leads jump by an extra 100! Those extra 100 leads result in 15 additional sales, and this could generate many thousands more in revenue than the additional cost.

Solely using a direct mail campaign is not a solid and consistent lead-producing mechanism. That is because the printed letter delivered by mail does not motivate people. My studies have found that if you have a radio or television advertising campaign and add direct mail during this campaign, your response rate will be higher. Timing of the mailing is technique-enhancing!

The best way to get a higher effective response to a direct mail campaign is to build the list yourself and not rent it. For example, the people that have been within your building or have come in contact with your staff are more likely to read your mailer. If they read it, it might just hit home to them more so than a random name on a list. This takes time to build, but you should set this as part of your business objectives each year.

Many years ago a client of mine wrote a direct mail letter he was quite proud of. The letter said that if

you send back the reply card, you could qualify for a free prearranged funeral. He sent out 1,000 letters and got back about 230 reply cards. Unfortunately, he was focused on the wrong point of the sales cycle. He was focused on the reply rate and not the closing rate. It took a lot of time to reach out to all of these people, and the result was zero preneed sales. The key point is to see what your results are and modify them. Do not be focused on the reply rate; ultimately, you want the sales rate.

Remember, the goal is to have a process in place so that the salesperson has the right amount of leads to result in the sales objective.

The use of outreach programs is also a great lead generator, but they must be done effectively. If people are attending a community program that is nothing more than a sales meeting, your results will be terrible. People that attend programs sponsored by your business tend to have a more favorable impression of your business. Therefore, there is a greater likelihood that they will act when they learn of the option for an advance decision.

The Internet is the best lead generating system I have seen in my lifetime. However, you cannot approach it like a funeral director or cemetery. You must approach it like a retailer. You have to drive traffic to your site, and then make it easy for someone to learn about funerals, cremation services or cemetery rights. You can have a

salesperson built into your site, and he or she will say the right words, every time, without fail.

You must build out the site to let people make advance decisions on line. Too often we think buying a cemetery right is complicated, but it isn't. Organic chemistry is complicated, buying a cemetery plot and making cremation or funeral decisions are easy. It just takes a few minutes. Then prompt the consumer to finalize their decisions with your salesperson.

With the Internet, we do not have 1.5 purchases per 10 leads. Now we might have 10 purchases for every 10 leads, as the leads are very qualified. In fact, they are not being sold but rather we are facilitating their purchase. Go into an Apple Store. There is no one selling there. There are people facilitating your purchase throughout these stores. We have built these Web pages for clients and they work. The key to this program is getting the staff to understand their role after the sale has been made.

The world of sales is often foreign to the funeral and cemetery service industry. Funeral directors are service specialists. The entire advance sales system and twists are anathema to their very being. Cemetery directors are more sales oriented, but more than one out of every three cemeteries is run by a nonprofit organization. The "not for profit" board members do not understand the need for advance sales. Look back on the heyday of Stewart Enterprises when its numbers showed about two advance sales for every one at-need sale. If you were watching, Stewart showed the world of funeral homes and cemeteries a great deal about advance sales. Stewart made its lead generation program part of its corporate culture. Every location manager and person in operations had to generate ideas promoting their lead generation program, which resulted in successful programs.

So remember, the key to advance sales is the lead generating system. To the person that makes a better mousetrap, the world will line up at their doorway! •