

[<Back](#) [Print](#)[Blog: Revenue-IQ](#)[View as web page](#)[Forward to a friend](#)**Service**
Performance_U*raising contractor revenue*

Qualifying Sales Prospects

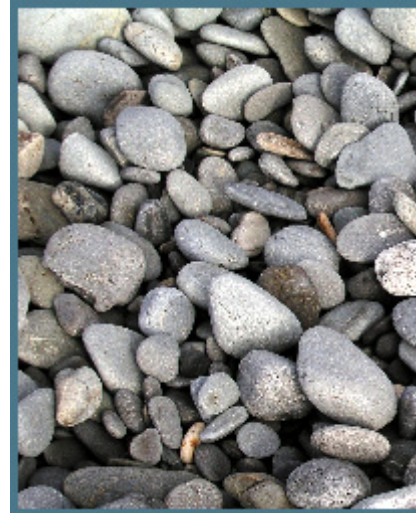


The secret to failure is...trying to please everyone.

For salespeople, that nightmare is pursuing prospects who:

- Appear to be whales but turn out to be minnows
- Take years to go out to bid, then contract lowest price
- Never return calls - even though you're the perfect match

Unfortunately, the horror may continue, and often does, when nightmare prospects become nightmare customers.



All contractors have stories of customers who:

- Demand services above spec @ no cost & threaten termination
- Pay 120 days late & question every invoice
- Spring last minute, unrealistic "extra" requests

There's no sure way to prevent these ulcers. But deciding who contractors want as customers can help avoid many painful ones. And a little less customer pain is always a good thing.

By qualifying prospects, contractors can:

- Improve win rates - better matches to worthy customers
- Increase productivity - make smarter sales investments
- Grow efficiently - align contracts with strategic strengths

This month's Revenue-IQ article shows why and how to qualify prospects, helping you weed out the cold and ugly ones.

We're also providing an Attributes List you can use and customize, see the download link in the "Getting Set-Up" section below.

Be selective, and become more successful.

A handwritten signature in blue ink that reads "Chris".

Chris Arlen, President, Service Performance

Traps to Avoid

If qualifying prospects is overly complex or time consuming, you'll avoid doing it. And that's a bad thing.

Qualifying must be quick and easy. And the score must easily be included in your Contact Management or CRM software. That's your most important prospecting tool, isn't it?

Don't Wait For Perfect

Qualifying prospects is more finger painting than fine art. Seek easily available info. Often that'll come from street- gossip rather than customers officially.

In this murky area don't wait for perfect. Qualify prospects and start contacting the right ones, even if your info is imperfect or incomplete.

How Prospects Are Qualified Now

Well, at least those who do qualify prospects. Here's how:

- Rate a prospect on several attributes, i.e. size, location, etc.
- Assign a number for each attribute, i.e. a positive number for good, negative for bad
- Total up all the numbers = prospect's score

That one total is the prospect's attractiveness. High numbers = go for it, negative numbers = avoid.

Two Problems With How It's Done Now

1) Muddy Math

Qualifying prospects by one number only can muddy the waters.

The math may make a prospect look less appealing than otherwise. Take a look at this hypothetical prospect and score:

- **SIZE:** Over \$2 million/yr contract spend = **+3**
- **LOCATION:** In contractor's city = **+1**
- **INCUMBENT:** Customer's brother-in-law company = **-5**

Total score = **-1**

Based on this score a contractor might not consider this an attractive prospect. But there are other factors that may make this a very hot prospect.

Who knows, maybe the customer is getting divorced and no longer cares about his brother-in-law?

2) Are Prospects Receptive?

The one number score doesn't take into account prospects' receptivity to being contacted. It only rates the contractor's lust.

Some prospects are looking for contractors right now.

They're open to hearing about potential alternatives. Just in case their current contractor goes south on them. It happens.

But some prospects are less accessible than Fort Knox. They just don't want to hear a sales pitch.

Without a second scale to determine a prospects receptivity, contractors can fall down rabbit holes that look like they're going somewhere. And they're not. At least not in this century.

Welcome to the Matrix

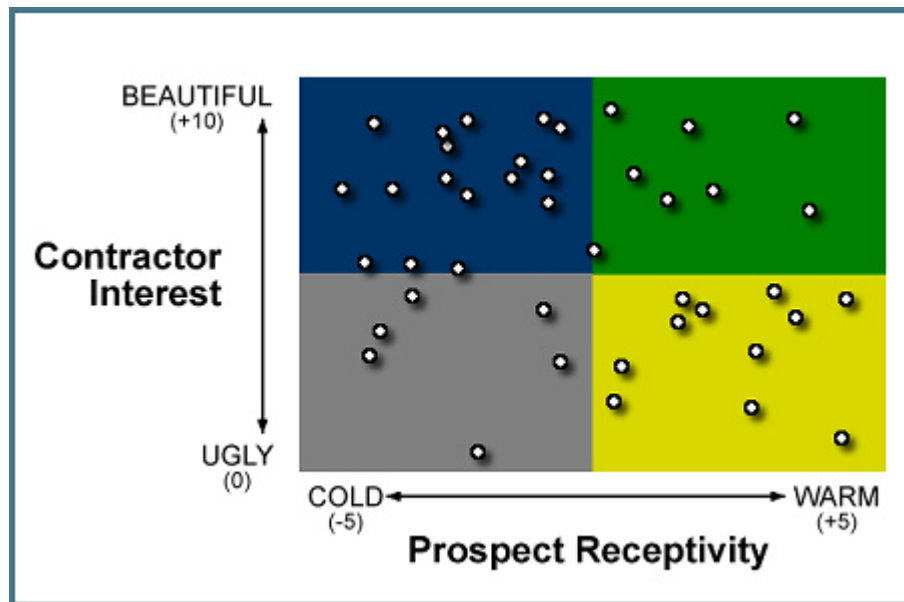
Almost as exciting as the movie, the two by two matrix is a better way to qualify prospects.

It has a CONTRACTOR INTEREST scale (that'd be you) and a PROSPECT RECEPTIVITY scale (that'd be them).

The CONTRACTOR INTEREST scale is vertical and has BEAUTIFUL prospects at the top. UGLY ones at the bottom.

The PROSPECT RECEPTIVITY scale is horizontal and has WARM at the right. COLD at the left.

Taken to together, you get four quadrants. We've color coded them for easy use. And placed a random distribution of prospects as an example.



Upper-right quadrant, GREEN

These prospects are BEAUTIFUL and WARM. They're the ones contractors really want. I mean really want. And they've shown an interest, or are willing to get to know contractors, or even your firm in particular.

Always work prospects in the GREEN quadrant first. You only have so much available time. And you don't want to miss one of their bids.

The most painful thing a salesperson can hear is they've just missed one of these prospect's bid by a month, a week, a day.

Upper-left quadrant, BLUE

These prospects are BEAUTIFUL and COLD. Still very attractive and contractors want them.

But these prospects aren't as open to getting to know new contractors. A harder sales road to hoe.

Go after BLUE prospects second, after you've gone through the GREEN.

Lower-right quadrant, YELLOW

These prospects are WARM and UGLY. An interesting mix. It means they really want to engage with contractors.

But they're not the right fit for your business. This could be true for a number of reasons. Your qualifying choices decide.

Don't expend effort with YELLOW prospects.

However, if one comes to you, and their score has them close to the cut-off for the GREEN quadrant, say hello.

But don't spend a lot of time with them. They're not a good fit.

Lower-left quadrant, DARK GREY

These are the COLD and UGLY prospects. They're a very bad fit and they don't want to talk. Avoid them like the plague.

In the old, single scale qualifying method, some of these DARK GREY prospects would end up looking good. What a mistake.

Skew Thresholds in the Matrix

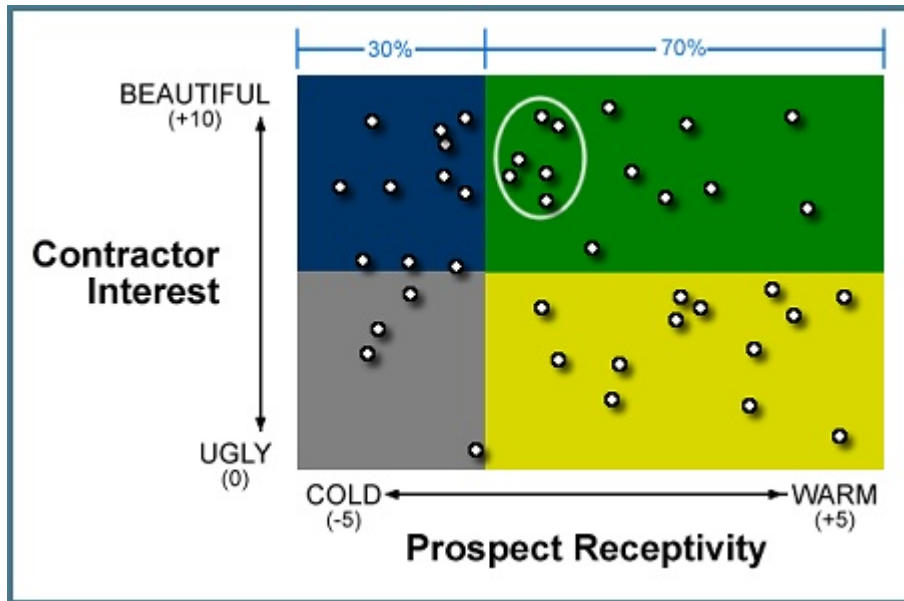
We need to adjust for reality. The lines separating quadrants in the matrix are arbitrary. You'll set them where you want.

Consider moving both the vertical and horizontal lines to resize quadrants. This will focus on more/less prospects as follows:

GREEN & BLUE

Make the GREEN quadrant about 66%-70% the width of the full matrix (that makes BLUE about 33%-30%). This means moving the vertical line left of center.

This increases the number of prospects that will fall in the GREEN quadrant. They're your number one priority.

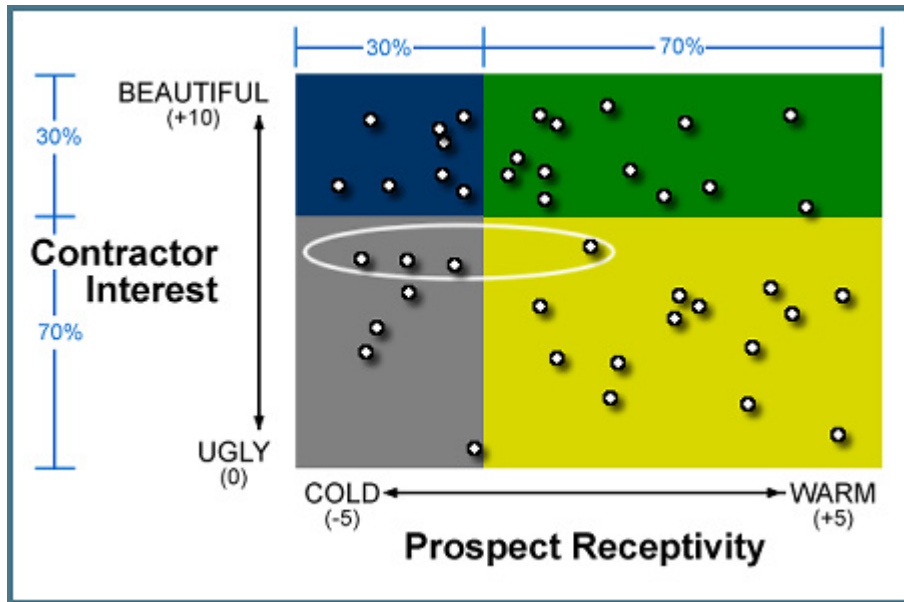


As you'll see, scoring the PROSPECT RECEPTIVITY can be an ambiguous thing. So you'll want to be on the safe side and include more of them, not less.

DARK GREY & YELLOW

Make the DARK GREY quadrant about 66%-70% the height of the full matrix (that makes BLUE about 33%-30%). This means moving the horizontal line up above the center.

By raising this threshold you're excluding prospects that are not as attractive to you. The result is you'll be focusing on a slightly smaller number of more attractive prospects. That's a good thing.



Getting Set-Up

This setup can easily get bogged down in too much detail. Don't go to the darkside. Create something you'll be able to use quickly and easily.

1) Create your **CONTRACTOR INTEREST** scale

- a) Pick your top 3-5 attributes for this scale.
- b) Click [here](#) to download a list of attributes.
- c) Write out your definition for the BEAUTIFUL and UGLY ends for each attribute (or use the [download file](#)).
- d) Assign a number, positive or negative, for each BEAUTIFUL and UGLY attribute.

2) Create your **PROSPECT RECEPTIVITY** scale

- a) Pick your top 3-5 attributes for this scale
- b) Click [here](#) to download a list of attributes.
- c) Write out your definition for the WARM and COLD ends for each attribute (or use the [download file](#)).
- d) Assign a number, positive or negative, for each WARM and COLD attribute.

NOTE: Once you've completed steps 1 and 2 above consider creating an Excel file to quickly calculate scores. This will make it easier and faster each time you qualify a prospect.

3) Create the **Qualifying Matrix (2x2)**

- a) Draw a square.
- b) Place your PROSPECT RECEPTIVITY scale along the horizontal axis at the bottom.
 - Enter COLD & your lowest possible numerical total at the far left of the horizontal axis (it may be a negative number)
 - At the far right end, enter WARM & your highest possible numerical total
- c) Place your CONTRACTOR INTEREST scale on the vertical axis at the left.
 - Enter UGLY & your lowest possible numerical total at the bottom of the vertical axis (it may be a negative number)
 - At the top, enter BEAUTIFUL & your highest possible numerical total
- d) Create your quadrants.
 - Draw a vertical line splitting the horizontal about 2/3, or 70% from the right (WARM) end. The line runs from top to bottom of the matrix
 - Draw a horizontal line splitting the vertical about 2/3, or 70% up from the bottom (UGLY) end. The line runs from side to side of the matrix
- e) Color your quadrants.
 - Upper-right quadrant, color GREEN (BEAUTIFUL & WARM)

- prospects)
- Upper-left quadrant, color BLUE (BEAUTIFUL & COLD)
- Lower-right quadrant, color YELLOW (WARM & UGLY)
- Lower-left quadrant, color DARK GREY (COLD & UGLY)

4) Customize your Contact Management or CRM software

- a) Create a custom text field for the qualifying color, make sure the field can be sorted.
- b) Alternatively, create 2 numeric fields, one for each score, make sure these fields can be sorted.

Qualifying Prospects - The Process

Take this process and make it your own.

- 1) Qualify each prospect.
 - a) Rate each attribute on both scales.
 - b) Take the total of of each scale and plot on the matrix.
- 2) Update your Contact Management or CRM software with the quadrant.
- 3) Prioritize prospects - sorting by quadrant.
- 4) Start first with GREEN prospects, then BLUE, then YELLOW - avoid DARK GREY.
- 5) Use the best contact approach based on prospects' quadrant.

Prospects Are Not Proposals

Don't confuse qualifying prospects with rating proposals' attractiveness.

Proposals come much later in the sales and buying cycles. By then contractors should have more intimate knowledge about what they're getting into.

A very promising prospect can turn into a proposal not worth lots of effort.

For more info on rating proposal attractiveness see [Plenty of Bids, Not Enough Wins - Move Up Scale](#).

Summary

- Traps to Avoid
- Don't Wait For Perfect
- How Prospects Are Qualified Now
- Two Problems With How Its Done Now
- Welcome to the Matrix
- Skew Thresholds in the Matrix
- Getting Set-Up
- Qualifying Prospects - The Process
- Prospects Are Not Proposals

About Service Performance

We help raise contractors' revenue through sales planning, training, collateral ,

proposal and presentation upgrades. Our clients secure contracts more frequently and retain more of the accounts they already have.

- For more info qualifying prospects call Chris Arlen @ 206-780-2963, or email carlen@serviceperformance.com
- More contractor insights, visit: <http://www.serviceperformance.com/blog>
- More sales & marketing services, visit: <http://www.serviceperformance.com/services.php>

[Forward to a Friend](#)

SafeUnsubscribe®

This email was sent to carlen@serviceperformance.com, by carlen@serviceperformance.com
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Email Marketing
by



Service Performance | 321 High School Road NE STE D3 | #293 | Bainbridge Island | WA | 98110