

Hidden sales

By Jacques Nel (MBA, MSc)

Bill de Decker (of Conklin & de Decker Aviation) wrote in his companies Newsletter about the 1970s aviation recession and the steps, his then college, now business partner took during these difficult times.

America experienced its worst recession in the aviation industry from early 1970 to early 1972. Boeing was laying off so many people that a billboard said, "Will the last person leaving Seattle please turn out the lights".

Falcon Jet (Bill's employer) sales dropped from 50 aircraft in 1969 to 5 in 1971, Lockheed and Sabreliner stopped production for 18 months, Learjet survived through international sales and the others aviation companies survived by relying on the deep pockets of their parent companies.

At this time Falcon Jet, moved into a new building at Teterboro Airport. Due to uncompleted offices Bill shared an office Al Conklin. Bill quickly noticed that every day Al would go through his Rolodex and write down 10 names and telephone numbers, call them and follow up with a letter.

Upon enquiry Al told Bill that he was calling folks who had bought aircraft from him before as well as other prospects. Bill pointed out to Al that there didn't seem to be much sense to that, since no one was buying. Al said, "There are always some buyers and I would like them to buy from us".

Needless to say Al's efforts paid off. In 1971, Al was responsible for 60% of Falcon Jet's sales (3 aircraft), with the remaining 9 sales employees contributing 40% of sales (2 aircraft). After the recession abated, Al's hard and sometimes discouraging work paid off with Al being one of the top-ranked salesmen for many years.

There are two morals to this tale:

1. When a recession strikes, there is still business to be had but it may take more work to realize it.
2. Diligently pursuing prospects during a recession lays the foundation for real growth when the recession comes to an end.

So, how does this apply to your organization?

1. Make a list of each of your current and past customers and note what type of business your organization did for them. Go back 2 to 3 years.
2. Call each and every one of them and find out what their current business needs are, who is in charge of budgets and decision making, what projects are upcoming and make a pitch for bringing the business to you.
3. If they have not worked with your organization recently, tell them about any changes that have taken place and new expertise developed.
4. Ask them why they have not recently utilized your services or bought your products.

These steps are sure to yield new work, lay the foundation for future work and help you update your direct mail or e-mail lists.

Small organization can also benefit from a direct mail or e-mail program. Direct mail or e-mail is not only inexpensive; it also allows you to target specific groups of prospects directly. Print advertising can be very effective, but only if the percentage of readers that is a prospect for your service/products is high.

Building a direct or e-mail list

1. Start with your current and past customers.
2. Add owners and manager of businesses that may utilize your product or service. Start with membership directories of the relevant trade associations and owner associations (business chambers, online or published business directories, etc.). You may have to become a member to get the directories, but that is a small price to pay for a valuable resource.
3. Determine which names to include and have them entered into a database program (such as Microsoft Access). It is important to add as much detail as possible, so that you can target each mailing. For example, information to include in addition to name of the organization, address, telephone number, fax number and e-mail address, is the type of business operated, base of operation and the name of a person, such as the owner, CEO, MD or manager. Obviously, the name of the key decision maker (CEO, MD, owner) is best. If that is unavailable, any name is better than no name, because no one likes to receive mail addressed to "owner".
4. Assign someone for maintaining the list.
5. Add every new customer or enquiry to the list, if they are not already on the list.
6. Make changes to the list as details change (new owner, managers, e-mail addresses, etc.). People and organizations are constantly on the move. Individuals are promoted, telephone numbers get changed, e-mail addresses change, etc. Approximately 25% of the information in a typical mailing list will be outdated after 1 year.