

Hotel & Motel Management

Issue: September 2010

The Sales Clinic

By: Howard Feiertag

PROPER PROSPECTING PREVAILS IN PRODUCING PROFIT

The first step in understanding this business of “Prospecting” is to be sure we know to what the term refers in dealing with our hospitality industry. There is so much confusion among hotel properties with regard to how managers and salespeople interpret the term, “prospect”. So often we hear comments, such as, “I just got a good lead for business”. Well, was it a lead or a prospect? Let’s explore some very easy and clear definitions with regard to the distinction between terms, in our industry. Because, when we talk about “Prospecting for business”, do we really means looking for leads or actually finding prospects?

The distinction is easy; leads are suspects, and prospects are those who are in a position to do business with us, if they chose to do so. Therefore, once we find a lead, we have to be able to develop the lead into a prospect. Of course, we do this by asking appropriate questions to see if this is someone who could do business with us. Leads are all over the place; these are just people who might be “connected” to a business that could use a particular hotel, but we do not know that until we ask pertinent questions. We can find leads in newspapers, telephone books, business listings, from different hotel staff and offices, chamber of commerce membership lists; on the Internet via various sites, etc. etc. Or even going out and going door to door in office buildings, knocking on doors; we call all this “cold calling”, which is really pretty much non productive, a big waste of time.

Many salespeople busy themselves in seeking leads via social networks, or getting a listing of meeting planners and making phone calls; again, this is cold calling. Of course, some of these ways work, and maybe it will take a dozen phone calls, or visits in business offices, to find a lead that might become a prospect.

The idea for salespeople would be to figure out where is the best and most productive way to find leads that could be developed into prospects. The best place to do this would be to go back into the old files of the property. In sales, we all know the value of follow up, and tracing our files, to make sure that a follow-up is conducted periodically. We should admit that we do not trace all files, all the time, and we miss a good deal of good business because we do not do that regularly. Therefore, if we take the time to go back to old finds, we will find “leads” from old business that should be contacted. This is the best source. After all, the business has been there before, they know the property, and may very well be developed into a prospect again. Salespeople should be spending more time doing this than getting on the phone to make “cold” calls or trying to “connect” via social networks. For a Prospect Survey Sheet form to use to help gather the information from prospects, just send a request to howardf@vt.edu.

WC537