

How to move a passive target to a seller who want to sell

So, you are moving forward with the Blackmore Partners process to buy a company funded by Private Equity. Perhaps the most challenging part of the process is converting a potential seller into a ready and willing seller.

Let's say you found a bunch of great potential target targets by following the steps we outlined in our process, now what do you do? At this point they are passive; they have not stated they want to sell.

Using passive target leads can be the most difficult and time-consuming (mostly the waiting for them do the thinking about selling) aspect of buying a company today, but it has become increasingly necessary;

1. Investment banked deals can be more competitive and expensive
2. Not enough deals being shopped by investment bankers

With the Blackmore passive target search tools (e.g. LinkedIn, Zoominfo) process, an executive like yourself can now quickly access a few contacts and be back doing your consulting for a client in minutes. The Blackmore process accelerates an executive's ability to reach passive targets, but it requires a different type of phone skill.

While much advice exists on addressing targets that say they are ready to sell, not many experts talk about what happens once a passive target picks up the phone and says "Hello?" in response to your cold call or email.

Making that initial call to a truly passive target can be a daunting (and the successful executives will not avoid this – and you will too!) moment, so in this article we will review a handful of tips to help break the ice and overcome that awkwardness. Let us first look at the five main stages to a successful call to a target, and then we can review a few useful tips:

Tip #1: Don't Sell! The best way to start talking with passive targets is to engage them in conversation, not to sell them on selling the company to you.

Most executives might think the best approach is to "pitch why to sell" and "sell the opportunity to sell now" but passive targets are not in the market to sell anything so selling them on selling to you may be the wrong approach.

Instead of selling, try establishing your credentials and reputation. Mention your background, connections you may have in the sector or industry, and offer these connections as a resource to them if and when needed. Make a connection and listen to them. Before you call someone, learn as much as you can about the organization.

The Internet offers you plenty of information (this will take about 5-15 minutes) about their company, their industry and very often even detailed information about their interest. Use linkedin to identify something or someone (reach out using LinkedIn "InMail" function) you have in common with them will help you develop a genuine connection. For example, have you been to their city or town? Have you attended similar universities or conferences?

Beyond that personal connection it also helps if you know about what's going on with their organization and even better if you utilize familiar language and jargon. For example, use "insider" lingo or nicknames for products, facilities and locations, projects, departments, and technologies. Zoominfo and additional deep web research can help you gather the information that helps you understand the target's milieu.

Tip #2: Email First When possible, start your conversation with an email. It may seem counter-intuitive to begin a "conversation" with an email, particularly in the context of this article, but great executives will use every tool at their disposal to connect with (if the executive is on LinkedIn, use the "InMail" function to reach out) appropriate target and e-mail is as powerful a communication tool as the phone. Email is the quickest, most unobtrusive and most commonly accepted way to establish rapport today. Using both the phone and email strongly increases the likelihood you will make a connection.

The best method is a three-step approach where the first step is an unobtrusive, non-solicitous networking (one option: use "InMail" from LinkedIn) request email. Do not wait to call the executive because you did not get a response to your "InMail" request. When calling their company let them know you sent an "InMail" via LinkedIn. Remember that you are reaching out to someone who is most likely not actively looking for new opportunities or to sell so they will not respond well to bait-and-switch messages or overt selling approaches.

When reaching out to passive targets using e-mail do not directly solicit them for consulting or selling their company in any way. Your initial contact email should include:

1. Asking them if they would be receptive to networking with you
 2. Mention that you are initiating contact electronically out of respect for their time and privacy (state that you did this in your phone message)
 3. A clear way to get in touch with you privately (i.e. your phone number)
 4. Enough detail so they can decide if you are worthy of a reply
- The second step is a quick and simple voicemail the following day indicating your desire to speak with them for networking purposes. Keep it brief, inform them of your intent to network, and clearly state the best way to get in touch with you. After your first voicemail attempt an e-mail follow-through greatly increases the chance of a return call because it bridges the gap between the “electronic” world where spammers exists, and the “live” world of phone calls and face-to-face meetings. The subject line on your follow-up email should reference the voicemail you just left by having a “date stamp” like this: \“Follow-through on my voicemail from today mm/dd/yy.\”

This begins to build recognition with your prospect and increases the chances of success when you attempt this three-step strategy in one week. You are to continue this for 6 weeks.

The third step is a follow up email sent immediately after you leave a voicemail, verifying they received your voicemail and re-stating your contact details. Try the above steps six times and then use the “Last Ditch” approach. In your fourth call and email, state something to the effect of “I thought I’d give it one last shot” and explain how it is important that you connect with them but that you have reached out previously to no avail. In the message clearly state that this will be your last attempt to connect and you will be amazed at how many people respond to this last message.

Tip #3: No Isn’t Always No

The executives at passive targets are successful and busy people so if you just accepted this initial “no” all the time then you will not likely speak to many good people. Once someone answers you may get some initial resistance to the conversation or even a very outspoken “no”, but you can often overcome this initial reaction. Once you do, a great (a potential seller, consulting or will

refer you to other targets) may blossom with your new contact and you will find that the effort will be worthwhile.

An initial “no” could mean many other things besides “I’m not interested in what you have to say” so it is important that you investigate a bit before giving up. For example, it could mean “I’m very busy right now,” in which case you should simply offer to call at a more convenient time and schedule a follow up. It could also mean they are having a bad day, or are very tired, and this is just not something they want to do right now. If their tone is abrupt, brusque or negative, let this initial negativity roll off your back without reacting to it and do not take it personally. Tell them you appreciate they may be very busy right now, but what you have to say is important and you would like to call them at another more convenient time. As before, make an appointment and follow up. This initial “no” could also mean they are in the middle of a meeting or other call. Drop a few hints and if that is the case then see if there may be a better time when you can reach out.

It is important to keep in mind that you are not a sales person. You do not sell a “product” –you help companies (your key points here) grow and expand. There are many reasons why someone may not yet be ready to move forward and thus they may not be interested in taking your call. Only by establishing a connection will you be in a position to help them once they are ready, or to obtain referrals to those who are.

Conclusion in a tight market for ready willing and able sellers, a successful passive target program can be an essential for your success in the Blackmore Process. Working with passive targets requires a major change in methodology for executives that are accustomed to working with ready, willing and able sellers, and an executive who master these changes is at great competitive advantage. By breaking the passive target process into steps – source the appropriate potential targets, engage them in conversation, use a combination of communication methods, and give the prospect every opportunity to respond positively – committed an executives can readily adapt to the new acquisition landscape.

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