THE EVOLUTION OF SOLAR SALES

SOLAR SALES BEST PRACTICES FOR STELLAR RESULTS
INTRODUCTION

“Global installed solar capacity will more than triple between now and 2025, and then triple again between 2025 and 2050. By the middle of the century, UBS estimates that nearly 3,000 gigawatts of solar will be installed worldwide.”

2015 UBS REPORT | VIA GREENTECH MEDIA

Explosive growth in developing markets too often leads to growing pains and other unintended consequences. To find out how solar companies are handling the sales opportunity and intensified competition, Velocify conducted a lead response study of residential solar installers’ sales tactics. By comparing performance in four specific KPIs, Velocify was able to evaluate each company’s effectiveness in responding to online leads, a proxy for sales performance. Key findings focus on solar sales teams’ follow-up strategies for unresponsive leads and how they compare to sales best practices.

01 FIND APPROPRIATE SALES FORMS
02 SUBMIT CONTACT INFORMATION
03 START THE CLOCK
04 GIVE COMPANIES 22 DAYS TO RESPOND
05 TRACK RESPONSE PERFORMANCE

First, researchers found sales forms at each company’s website. Only forms where potential buyers could express strong interest to purchase, such as consultation or quote requests, were used in this study. Requests were submitted during normal business hours and once submitted, researchers started the clock, but did not reply to any contact attempts. Companies’ responses via phone and email were tracked for the following 22 days, at which point the following key performance indicators (KPIs) were tracked:

Speed KPIs
- Speed-to-Call
- Speed-to-Email

Persistence KPIs
- Number of Call Attempts
- Number of Emails Sent

Previous Velocify research, where the progression of millions of leads were studied, has found correlations between these KPIs and lead conversion rates. Please see The Ultimate Contact Strategy for more information about these correlations.
THE IMPORTANCE OF SPEED AND PERSISTENCE

When it comes to the speed of responding to prospective solar customers, faster is better. Research conducted by Zogby revealed that most prospects expect to receive a callback within 24 hours. Furthermore, almost 70% of prospects believe the first company to call them has an advantage over the competition.\(^1\) It is intuitive that the longer a prospective customer waits to hear back from a company, the less likely they are to engage and the more likely they are to buy from a more responsive competitor. Previous Velocify research further validates the importance of speed-to-call, revealing a contact attempt within one minute of inquiry submission more than doubles the likelihood of that prospect turning into a customer.

\(^1\) Zogby Analytics, Online Prospect Expectations
When it comes to persistence, it might seem rational to make as many contact attempts as necessary until contact is made. One could also argue that after a couple of failed attempts, resources should be diverted to more optimal places. According to previous Velocify research, the answer is somewhere in between.

By looking at data on the progression of millions of prospective customers, Velocify uncovered that the optimal number of call attempts is six. The reason is that 93% of prospects that eventually convert have been contacted by the sixth call attempt. When solar companies continue to dedicate resources into contacting the remaining 7%, they experience the effects of diminishing returns and run the risk of being perceived as overly aggressive.

A similar methodology was used to find that the optimal email strategy is to respond within 20 minutes and to send 5 emails over a 22 day period. To learn more about optimal inquiry response, please see The Ultimate Contact Strategy for more information.

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2 Velocify, The Ultimate Contact Strategy
RESULTS: OVERALL RESPONSE

Requesting a quote is a buyer’s way of telling a solar sales team that they are interested in purchasing a residential installation, so it is important for businesses to respond promptly to these qualified leads. Given that every quote form submitted required the inquiring buyer’s phone number and email address, it was surprising to find that 19% of online requests for quotes never received a response of any kind. A full 30% never received a phone call and more than 43% did not receive an email response. In looking at how well versed sellers were in utilizing multi-channel communications, only 46% of inquiries received at least one phone call and one email from the seller.
Despite the clear benefits of rapid inquiry response, many of the companies studied showed at least some deficiency in their speed-to-call metrics. Considering the significant amount of marketing investment that can go into generating solar leads, it was surprising to find that almost 40% of inquiring buyers either waited weeks or never received a call.

In an age of heightened competition and growing market size, installers have much to gain from prompt response to incoming leads. When inquiring buyers are made to wait hours or even days to receive a call, not only does it give ample time for a competitor to be the first to call, it sends the wrong message to potential customers about a company’s ability to provide prompt customer service.

While responding within hours is clearly better than responding within days, previous Velocify research has shown that the likelihood of conversion drops considerably when responding to inquiries later than an hour after submission. Therefore, companies that take longer than an hour to respond are leaving money on the table and could benefit from decreasing the time it takes to respond.

Almost 40% of inquiring buyers either waited weeks or never received a call.

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2 Velocify, The Ultimate Contact Strategy
A similar responsiveness pattern emerged with speed-to-email. With the increased use of email auto-responders, it is surprising that a higher percentage of inquiring buyers did not receive an email within seconds or minutes of quote request. While an email might not seem as powerful as a phone call when responding to a quote request, the importance of prompt email response should not be overlooked. Previous Velocify research shows that the optimal time to email a new inquiring buyer is 20 minutes after a lead is received. Therefore, solar companies that email a prospective buyer within seconds or minutes are maximizing the value of their marketing investment.

50% of inquiring buyers either waited weeks or never received an email.
RESULTS: NUMBER OF CALL ATTEMPTS

After comparing millions of inquiries, Velocify research has determined the optimal number of calls to maximize contact rates, without over-investing time and resources into unresponsive leads, is six. Yet 77% were not persistent enough with four calls or fewer, which our research confirmed was too few to maximize the likelihood of a sale.

And just as calling too frequently is a waste of resources, calling too infrequently can be a costly error. By failing to put enough effort into contacting prospects quickly and with optimal frequency, sales organizations could be missing out on an easy, cost efficient best practice to improve their overall sales conversion.

77% of solar companies were not persistent enough making four or fewer calls.
Prior Velocify research that looked at millions of inquiries has demonstrated the optimal number of emails to send to each inquiry is between four and six. When solar companies were put to the test, only 5% of inquiring solar buyers received close to the optimal number of emails.

Considering the low cost and ease of sending emails, it is surprising that solar companies are not being persistent enough when communicating to potential buyers via email.

The fact that inquiring prospective buyers are under-called and under-emailed shows that solar companies are neglecting leads that they are not able to contact immediately and are therefore missing out on sales that could have been made with more persistence.

More than 90% of solar companies were not persistent enough, sending three or fewer emails.
THE EVOLUTION OF SOLAR SALES

A new kind of gold rush – the solar gold rush – is taking over the U.S. The solar opportunity is lucrative and growth has been phenomenal over the last few years. But even a rapidly growing industry can’t solve for a sales team’s problems of wasting a tremendous amount of opportunities from not using the right tool.

At this inflection point in the solar sector’s growth cycle, companies can get lulled into thinking they are at an all-you-can-eat buffet, and therefore don’t need to optimize marketing and sales processes. But in today’s social media driven world, being non-responsive with prospects can not only result in lost sales, it can ultimately impact a company’s reputation, as disappointed consumers vocalize negative experiences to a wider audience of prospective customers than ever before.

As previous Velocify research has shown, being first to get there and stake a claim with a potential buyer is extremely important, but it is also not the only important thing. Knowing how to work with a prospect to optimize satisfaction and chances for a successful sale is essential.

CONCLUSION
Get Started Today!

Do you have the tools to meet the expectations of today’s solar buyers?
Learn how smart sales technology can help you sell more and rise above the competition.

ABOUT VELOCIFY, INC.

Velocify is a market-leading provider of cloud-based intelligent sales software, designed for high-velocity sales environments. Velocify helps sales teams keep pace with the speed of opportunity and increase revenue by driving rapid lead response, increased selling discipline, improved productivity, and actionable selling insights. The company has helped more than 1,500 companies across a variety of industries improve customer acquisition practices and sales performance. Velocify was recently recognized as one of the fastest growing companies in North America by Deloitte and a Best Place to Work by the Los Angeles Business Journal. For more information, please visit velocify.com or follow the company on Twitter @Velocify.

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