



# MILLIONAIRE IN YOU

## A new take on lead development - Part II

By Jason Felts

*Editor's note: This is the second article in a two-part series. The first article, "A new take on lead development - Part I" ([The Green Sheet, July 24, 2006, issue 06:07:02](#)) covered lead generation using a direct marketing approach.*

Imagine a world in which prospects call you to secure a credit card processing relationship rather than the other way around. Unfortunately, that wonderful world only exists in our dreams, right? We live in the real world, where hitting the street is still standard practice. Or is it?

Have you ever met highly successful merchant level salespeople (MLSs) or small sub-ISOs making \$300,000 to \$500,000 per year? Have you wondered how they reached those income levels? I'll guarantee you nine times out of 10 the differentiator is in how they generate leads. What's the secret?

Those salespeople have simply found an effective niche, which they are able to translate into signed merchant applications. They have developed relationships with third parties (such as banks, associations and vendors) that offer leads through their endorsements. And these leads often result in merchants calling the salespeople.

Hoping to garner insightful strategies from those agents, I recently posted the following questions on [GS Online's MLS Forum](#):

- What type of organization (card Association, financial institution, etc.) has endorsed you and your processor because of your legwork?
- How did you secure the endorsement?
- What has it meant to your career, business and income? I received only a few responses, one of which certainly shed some light ... on why I received so few responses:

"You aren't going to get any specifics from the MLS, I don't think," MLS Forum member utah997 wrote. "If it's successful, they don't want anyone else to know about it."

"I will say that one of our most successful partnerships has been with a large Web development company. This has provided quite a few leads each month. These are the highest volume [types of] merchants, but a good relationship nonetheless. The amazing thing is we have not had to pay back any percentage of profit to them. They simply want a partner who is reliable, informed and responsive."

MLS Forum member Slick Streetman agreed that third-party endorsements can be lucrative. He suggested developing expertise in various niche markets, such as business-to-business (B2B), heating and air conditioning, locksmiths, medical practices, petroleum, and the hotel/motel industry.

"I have three very big endorsements," MLS Forum member jcolvin wrote. "And the one endorsement ... I thought would be impossible, the Caddo Parish Public School system, was just

given to me this month. A public school system. Can you believe it? ... To answer your question, yes, it makes a huge difference."

Wouldn't you like to be known to hundreds or even thousands of merchants as "the credit card guy or gal"? Whenever a credit, debit or ATM need arises, wouldn't you want to be the only professional merchants call? Let's scratch the surface of possibilities. Following is a comprehensive list of where to go to secure such relationships:

## Local banks and credit unions

A solid agent-bank program is paramount. Make sure your processor can assist you in securing relationships with financial institutions.

Most small banks refer business to a third-party provider, as they are not interested in or capable of bringing merchant acquiring in-house. Credit unions offering business checking accounts also create a new and unique opportunity when looking to secure financial institutional referrals.

## Associations

Thousands of associations (including trade associations) are listed with their contact information in various business directories and Yellow Pages.

You can use the Internet to research them. I have found hundreds of Web sites listing all the different associations. I've also found sites of individual associations that include their current endorsements and endorsement procedures.

Associations cater to the special needs of their respective members. Often, loyal and trusting members will do business only with vendors their association specifically endorses.

An example of the opportunity this presents: A father-son team representing Advanced Merchant Services recently solidified a referral deal with an association that has over 2,000 business members.

## Franchisors

When franchises agree to endorse your business, they will offer your services to their franchisees. When someone buys a franchise and takes a "business in a box" approach, nearly 100% of the time they will work initially with whomever the franchisor recommends.

That is precisely one of the reasons they bought a franchise. In the early stages of setting up a business, the last thing they want to do is spend time researching vendors.

## Web designers and ISPs

Secure multiple lead streams with Web and Internet service providers. An endorsement from a Web design company or an **ISP** will make your telephone ring. Think about it. While working with a merchant to create an e-commerce site, who better than a Web designer to recommend you as a merchant account provider?

## Your merchants

Leveraging your current merchant base is a fantastic place to start generating leads from third parties. Is a sign shop or a printer in your portfolio? These are always two great sources for new business referrals.

At Advanced Merchant Services, a local cosmetology school recently agreed to endorse us. Many of this business's students went on to open shops of their own, and guess who they called for payment processing services? I bet similar gold mines are in your portfolio.

## Software and other B2B vendors

Work to secure relationships with restaurant, hospitality and retail software vendors such as Aloha and Micros. This is yet another fantastic way to get your phone ringing.

To understand the power of such relationships, think about the success of the QuickBooks merchant services partnership. Securing strategic relationships can pay off significantly.

In addition, opportunities abound with B2B vendors. For example, we struck up a relationship with our phone vendor. Some of our sales partners have relationships with their payroll companies.

Think about those with whom you do business and determine if opportunities exist for exchanging leads.

## Salespeople and other professionals

Have you considered building relationships with other salespeople? Attend a chamber of commerce event and team up with a local copier salesman or a commercial realtor focused on leased space. How many business-to-business salespeople do you know? Why not make them part of your own selling program?

Also consider CPAs and corporate attorneys. Their clients trust them and regularly follow their advice. These professionals have been a solid source of referral business for us time and time again.

Remember, the key to successful lead generation, and any other business tactic, is putting together a strategic plan that includes working smarter, not just harder. The result: That ethereal concept of merchants calling you goes from dream to reality.

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