



# Developer Thrives Without NQing Any Prospects

By Matthew McDaniel

By all accounts, InnSeason Resorts is your typical vacation ownership success story. The growing company, which has seven resorts in the United States' New England region – as well as agreements with several others to create a wider-area mini exchange network – currently has about 30,000 member families. The company has kept pace with industry trends, originally selling weeks but now pitching membership packages. But while InnSeason's sales have been surging, there's one thing you won't see in their sales center: someone being NQ'ed (timeshare speak for disqualifying a sales prospect).



■ William E. "Billy" Curran, chief executive officer of InnSeason Resorts

Billy Curran won't allow it.

William E. "Billy" Curran is chief executive officer of InnSeason Resorts, and he knows a thing or two about timeshare sales. He got his start in 1978 at Steele Hill Resort in Sanbornton, New Hampshire, where his brother was working in sales. "I was in the automobile business at the time and purchased some timeshare. Back then, they used to give you a free weekend if you sent a referral. I sent them eight or 10 referrals. The sales manager called me one day and said he wanted to talk to me about my referrals. I said, 'what about my referrals?' and he said, 'well, they're all great – every one of them has bought.' I just said I tell them not to go if they're not going to buy. I explain it to them, and if they don't like it or if they can't afford it, I tell them not to go up there and waste anyone's time." The sales manager offered Curran his first timeshare job.

Curran did well in vacation ownership sales, and spent some time in Orlando and before returning to the New England area in 1986 with an 18-month plan to start a timeshare marketing business. "All I did was provide clients to local resorts," Curran remembers. "By 1995-1996, we were selling 75,000 to 80,000 tours all over New England and up and down the East Coast." Curran moved into development in 1997, opening Surfside Resort in Falmouth, Massachusetts.

His company recently signed a contract on an eighth resort in South Yarmouth, Massachusetts, that they will close on

in the fall. And all this success has come without NQing.

## What is NQing?

"NQing is a thing that's gone on in our business for a very long time," Curran explains. "When I originally got into the business, there was no such thing as a non-qualified tour. Everyone who came through the door was taken on tour – because the developer had already paid for it."

Curran goes on to explain that as the vacation ownership business began to flourish in the late 1970s and early 1980s, many industry veterans found it highly profitable to form marketing companies to provide a steady tour flow to developers who were new to the business. Because developers wanted a safeguard against marketing companies providing worthless prospects, a system of qualifying tours evolved. Salespeople were mandated to decide within the first 30 minutes whether a sales prospect was qualified to make a purchase, and to dismiss those tours deemed non-qualified. After 30 minutes had passed, developers were required to pay the marketer for the sales lead.

"This drove me crazy," Curran says. "I came from an automobile sales background; if you ever prejudge anyone in that business you're nothing but a fool. A guy could come walking in and he could be covered in painters clothes and looked like the biggest bum in the world and you find out later that he owned the largest painting company in the city of Boston," he notes. "I couldn't stand it and didn't follow that



rule. I took any tour that they gave me."

When Curran later was a marketer selling tours, he decided to insist his customers not NQ any of his tours. He told them, "you will tour all of them that show up at your property, you will gift all of them, and I will give you a five percent rebate off your bill every week."

He did lose a few developer clients. "I said fine," Curran recounts, "we have no problem selling the tours."

Most of the customers agreed to do it on a trial basis, though, and the results were good. Curran says the sales percentages and VPGs (value per guest) on his tours were better than for tours from other sources that could be NQ'ed. "They'd produce US\$75,000 worth of business on mine, and they'd produce US\$40,000 of tours from the source that they'd let them NQ," he says.

Today, Curran doesn't even give the five percent rebate anymore.

Curran says that getting rid of NQing has a profound effect on staff. "You find a much more calm sales environment, you find less fighting between the customers and sales team, you find less hassles between the marketing entities and sales teams. There's a mutual respect between the marketing and sales divisions."

#### **Customer Service**

But Curran insists one of the greatest effects is on customer service. NQing is "all about the salesperson prejudging. It absolutely goes against every sales philosophy and book we have ever read," he says. "The customer-service side of it is common sense. NQ is insulting and degrading. If you have the audacity to say to tell somebody, 'you seem like nice people, but we're not showing you around today,' that's just ridiculous, especially today with blogs. To me it's a customer service issue."

Curran draws broad implications for the vacation ownership industry. He notes that Orlando, which is the timeshare capital of the world, NQs at a rate of 20 to 25 percent, which he blames on the use of expensive-to-developer mini-vacs. "That's one of the reasons we have such a crummy reputation sometimes – because we've earned it. If the industry didn't NQ it'd sell more people and be better received by the general public," he says. ■