

Why It Takes 7 to 13+ Touches to Generate a Qualified B2B Sales Lead Today

A Hands-On Guide

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Background

Demand generation for complex sales with high lifetime revenue values have significant competition at every turn. In most cases, multiple companies are aggressively seeking an opportunity to stage a sales effort for these high-value deals. Studies indicate that sales teams have reduced in size over the past few years. These firms invest heavily in the sales talent they do have with extensive training and high compensation. Sales staff time is a precious resource they dare not squander. In some cases, prospects are unwilling to disclose the needed information, making the opportunities hard to uncover. In other cases, prospects may be unaware they even have a need, or shy away from engaging in the sales process until late in the buying process after doing online research. However, to get a leg up on the competition, most B2B selling firms still want to be involved in shaping or influencing the buyers' specs where there are real opportunities.

With the sales quota bar raised, the stakes are high. Sales teams are demanding higher quality "sales-ready" leads so they can increase conversion rates and hit their numbers. If your goal is to optimize the lead-to-sale funnel conversion rates with the least resources, this white paper is for you.

After years of tracking metrics and diagnosing lead-to-sales funnels for more than 100 firms, we have determined that it can easily take seven to 13-plus touches to deliver a fully qualified B2B lead to the Sales department. We have also seen that this continues to perplex many a marketer. Rarely can anyone get away with only one (or even a few) communications efforts to fully profile and score a sales-ready lead. The good news: there are some things that can

help you shorten the sales-lead generation and qualification process, and we will outline them here. We will also burst a few myths along the way as we speak frankly and have front line campaign metrics and research to back our findings.

You might think we're exaggerating, but we'll show you how easy it is to reach 13 or more touches just to get to the point where a lead has provided enough information about his or her situation to be certain that the lead is truly "sales-ready" and not just a suspect name. And

for the record, sadly we must report that the vast majority of "leads" generated today is in fact non-sales ready-inquiries (or "hand-raisers") that do not meet the qualified sales-ready criteria in the eyes of the sales teams. Changing this sub-par behavior is the reason why we researched and wrote this paper.

Before we get to the seven to 13-plus touches, let's examine why the majority of today's B2B "leads" never become prospects; the disconnect between Marketing and Sales. Nail the following and you'll be miles ahead of your competition.

Sales and Marketing Live in Separate Worlds

According to CSO Insights, the average number of sales reps making their quotas was 63%, and only 42% of firms met or exceeded their revenue goals. Yet 92% of firms were raising their revenue goals for the next year—and more than 40% of firms indicated increases of 15% or more.

We can safely say there is a widening gap between Management's revenue expectations and demands and the Sales and Marketing departments' ability to deliver. Unfortunately, instead of teaming up, Sales and Marketing are also experiencing a widening credibility gap. Marketing points to the huge number of leads entered into the marketing automation system to prove that Marketing is doing its job. Sales points to the poor quality of the leads to prove that Marketing is *not* doing its job.

Forrester Research says that low-quality leads

create sales problems. Essentially, Marketing is pouring unqualified leads into the top of the sales funnel. Sales reps aren't following up on the leads because there is not enough opportunity background data associated with each lead to justify real sales efforts. Time really is money in the sales business, and no sales rep will waste time on a lead unless they know that the person in question has some version of budget access, authority and—most of all—need for the product and a timeframe within which they plan to purchase. As Forrester sees it, warm suspect leads are falling out of the middle of the funnel, forcing Marketing to scramble to replace the leads and giving Sales very few real sales-ready opportunities with which to work. (See Figure 1.) Sales and Marketing are disconnected, and few leads are actually converted. Marketing costs go up, sales go down, and needless to say, Management is not pleased.

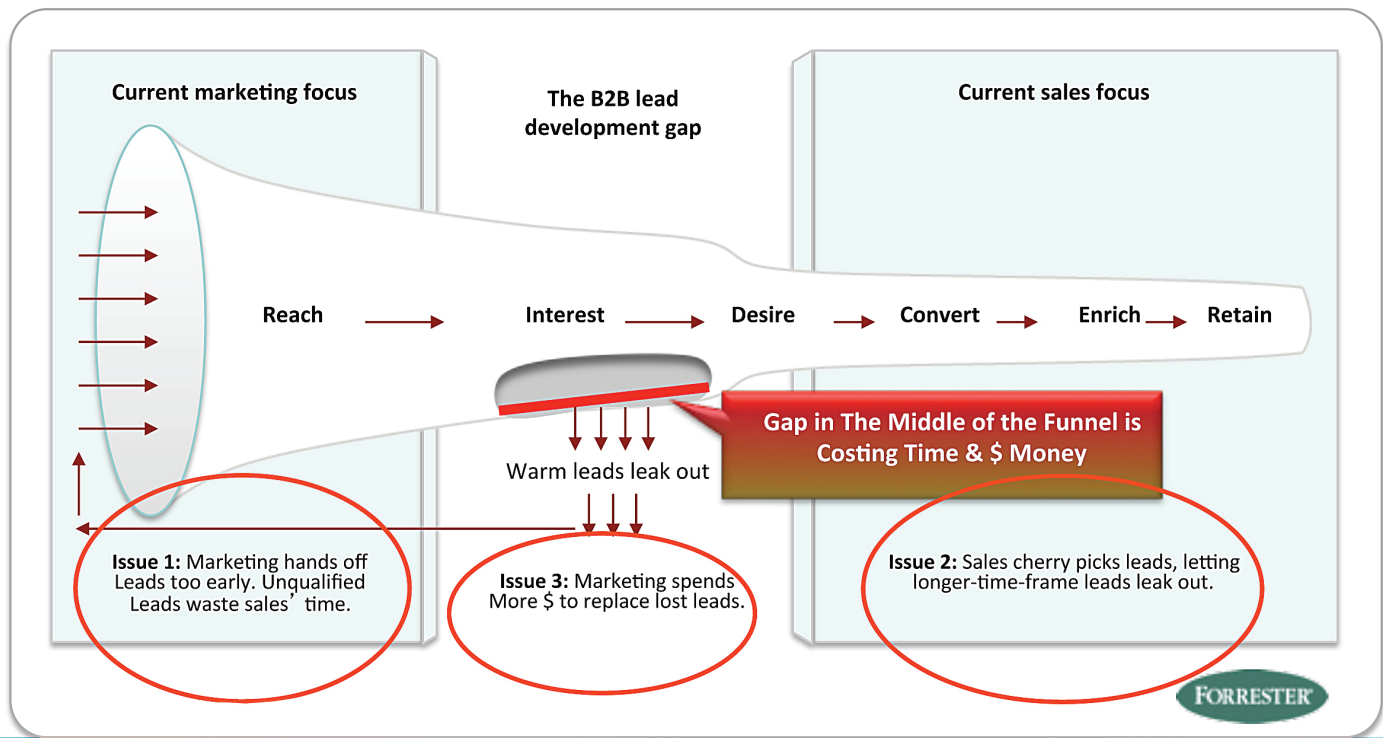


Figure 1: Low-Quality Leads from Marketing Create Problems for Sales

Source: Forrester Research

Most Prospects Never Receive Enough Touches

Why do warm leads drop out of the lead-to-sales funnel? Because they have not received enough touches with information exchanged to convert them to a sales-ready lead. Consider the following typical sequence of developing a sales-ready lead:

1. Initial email campaign.
2. Initial direct mail campaign.
3. Call: prospect not there; leave a message.
4. Send email follow-up. Review LinkedIn profile.
5. Call: prospect is not involved in any way and refers to correct contact in company.
6. Start over. Call the referred person, leave voice message. Review LinkedIn profile.
7. Send email follow up. First email.
8. Call, after no inbound response: prospect not able to talk then, but schedules another time.
9. Send email follow up confirming call appointment day and time.
10. Conference call held. Prospect interested, but wants more information before all the qualification questions on script (which the sales team needs) are completed.
11. Send personalized email follow up with relevant info. The email may include information on case studies, webinars, and web pages with supporting information about the product. (AKA, mid-funnel content.)
12. Prospect now ready for a peer-to-peer talk about needs/pains, access to budget, purchase authority, level of urgency and timeframe. Now the scoring data says the prospect is sales-ready qualified!
13. Email to confirm appointment scheduled with field or inside sales rep, cc: rep.

You can get to 13 or more touches very quickly. The problem is that most so-called “leads” rarely receive any touches beyond receiving an email and filling out a response form. Some of those unqualified leads that Marketing tosses into the sales funnel are inquiries and many have potential to qualify, but they rarely receive enough touches to become qualified. Warning: don’t expect your sales closer reps with a quota in hand to do this pre-sales qualification work—this is a common mistake we see often. As we said, sales resources are slim and they are also some of the most expensive fixed costs in a company. Need more evidence? Microsoft

conducted a study that shows that by the fourth contact, a full 89% of sales people have given up. (See Figure 2.)

This is because not enough pre-sales qualification work has been done before Sales receives the lead. Lead-generation and qualification is hard work because it takes time to gather the qualification information and build a relationship with the prospect just to set that critical first appointment. Sales people haven’t got the time—and they won’t spend the time to build a relationship until they have the data that tells them the lead is solid.

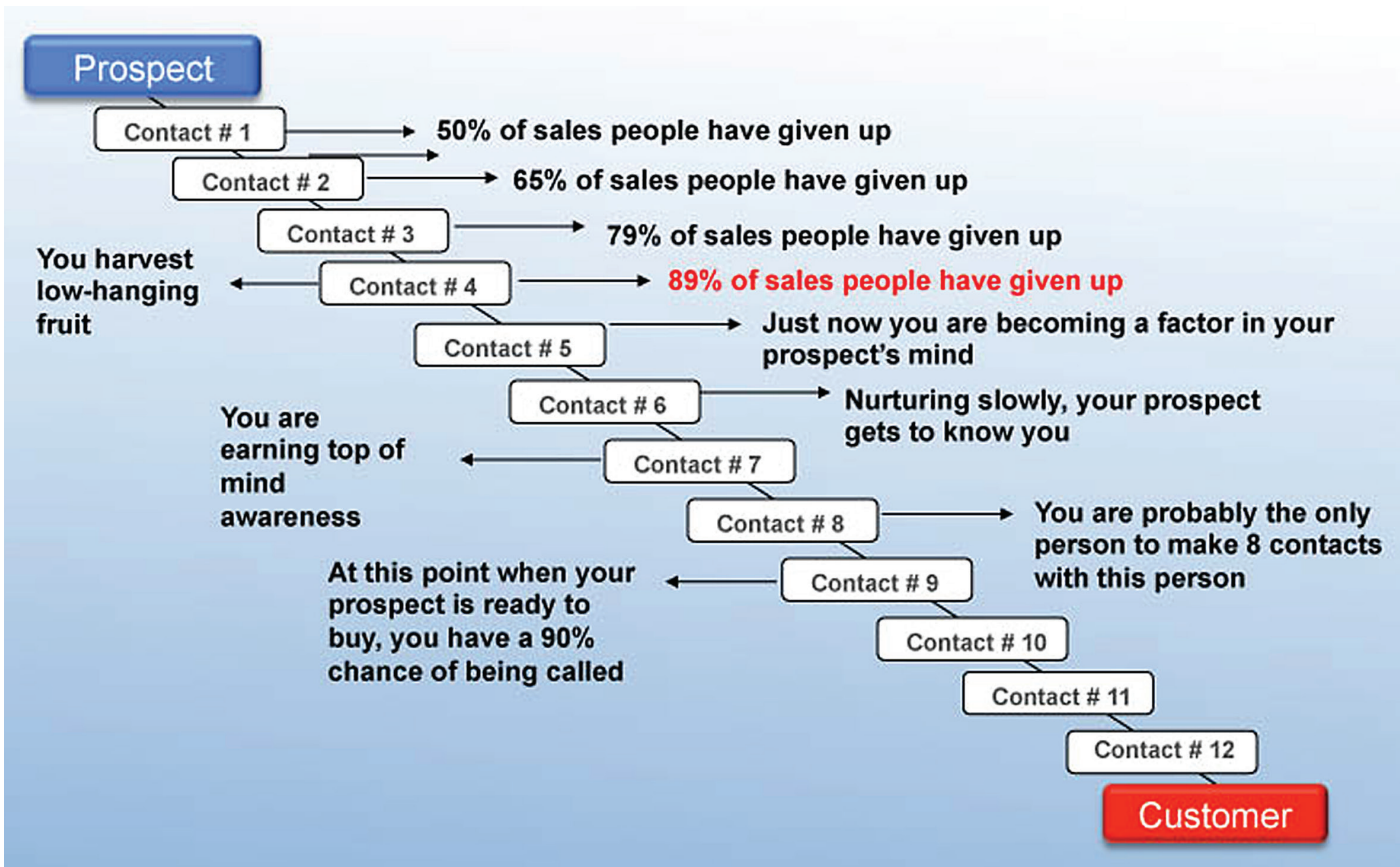


Figure 2: Most Prospects Never Receive Enough Touches To Become Leads

Source: Microsoft

If Sales Won't Work with Unqualified Leads, Who Will?

What can we, as marketers, do about this disconnect? Marketing's efforts to generate leads, according to Microsoft, are largely being wasted. There are plenty of leads, but most never get to the point where Sales will work with them.

Our solution to this problem might seem heretical to some, but we stand by it: Marketing must step up to the job of pre-qualifying leads to this higher level before they are passed on to Sales.

"Wait!" you might say. "The Sales Department has always done the qualifying, not Marketing." But times change, and so do the rules of the game. Historically, Sales and Marketing have often been at odds. Sales and Marketing must learn how to be each other's BFF if either wants to meet management's expectations.

Because salespeople will not follow up on unqualified leads, Marketing must step up to the job of pre-qualifying leads by determining the BANT data (**B**udget, **A**uthority, **N**eed and **T**imeframe) or your company's version of it, for each lead that comes in. This also puts the level of qualification information to be gathered beyond what can be gleaned from marketing automation systems and digital-only methods.

"Hang on!" you might say at this point. "We don't have the people or the budget to do that kind of thing!" Right. That means you must get the budget from Management to outsource this function with experts or hire the fixed-cost staff and systems to do it. And you know what that means? You must justify the added expense with some cold, hard facts and numbers that prove the ROI of adding pre-qualification to Marketing's roster of duties.

Why Does It Take So Many Touches?

Sales professionals require a lot of data to determine whether a lead is qualified or not. This data is hard to get in one or two—or even three—touches. We're going to look more closely at the data that Sales requires to consider a lead "sales-ready qualified," and the importance of a multi-touch, multi-channel lead qualification process.

What is BANT Data?

BANT stands for **B**udget, **A**uthority, **N**eed and **T**imeframe (within which the lead needs/wants to purchase). (See Figure 3.) Note that BANT represents the categories of information that

each company must customize for its unique sales scenario. You must specify your company's version of what BANT means at your company. And yes, it's okay to rename your sales-ready criteria—just be sure to customize it.

The reason for all this is simple economics. A salesperson needs all or most of this information to determine if the prospect is a sufficiently qualified opportunity to stage a sales campaign with his/her limited resources. It sounds simple, but obtaining this information is a multi-step process.

BANT criteria will vary from one company to

“BANT” Plus Sales Ready Leads



Figure 3: A Prospect without BANT Data Is Just a Name to the Sales Team. Low-Value Leads Will Not Be Pursued.

the next. Not all BANT data may be available and some will be more important than others. For example, knowing need, timeframe and next steps may lead to a greater sense of urgency. When you're on the phone with a prospect, you may find out more valuable information to prime the lead for Sales, such as: what is the prospect's desired outcome; who is on the buying team; when the prospect needs to buy; what stage in the buying process they're in; and what information they need that we can deliver for each stage in buying process.

Warning: as you evolve into more advanced levels of information exchanges, you must "earn the right" to ask these questions. This is NOT a salesperson discussion yet and prospects will rarely give this detail online or on a landing page. You'll need a peer-to-peer level pre-sales lead development conversation to insert your company's value and create a credible relationship. Once the sales-ready information is gathered and the score moves into the "Qualified" zone, then you'll want the tele-qualification rep to close on the first

meeting appointment with the sales team. The value to your sales team is that a sales-ready lead is delivered along with a positive relationship. The sales reps must immediately reach out and introduce themselves and confirm their meeting with the prospect for best results. Provide your sales reps an audio recording of the qualification phone call, this will improve sales preparation.

Setting Up the Sales Qualification Data

The Sales Department defines what criteria are required for a sales-ready prospect, not the Marketing team. So when you are designing a pre-qualification data gathering process, you must work very closely with Sales. Sales and Marketing aren't always in sync, and there may be a considerable credibility gap. The first step is to develop a good working relationship with Sales.

In some successful cases, Marketing and Sales have actually created a "contract" of mutual support where the responsibilities of

each department in supporting the other are spelled out. This document includes what Sales considers sales-ready criteria. It also states that if Marketing delivers on this higher caliber criteria, the Sales team will engage in the sales process within a stipulated timeframe—no exceptions.

Create a “Perfect Prospect Profile” that Sales and Marketing can both agree upon. Review the historical sales data (you’ll need that good partnership with Sales to get this). Segment by customer types and review the profitability data for each segment. Understand the buying process in your industry, where customers go for information and how they typically purchase. (There are often several members of a buying team, and each may have his/her own agenda for the purchase.) Then build a buyer persona with the relevant messaging tracks for each segment.

People Buy from People

Marketing automation is great, and can be of tremendous assistance in automating some of the grunt work of the marketer. We endorse marketing automation tools, but in the B2B sales world, the fact is that 90% of inbound leads never turn into qualified sales opportunities—people buy from people, not from software. In addition, people are very reluctant to fill out response forms because they don’t want to have salespeople interrupting their day with phone calls and emails. In any case, most people will provide only limited information online, if any.

Once a response form has been filled out, now is the time to engage in peer-to-peer discussions with the prospect. Start by building a relationship. Launching immediately into the BANT questions (Are you the purchaser? Do you have approved budget?) is a turnoff. First leverage the digitally collected information as a bridge to determine where the prospect is personally. Open-ended questions (rather

than buttons on a web form) will accelerate this qualification process. What problem is the prospect trying to solve? Where does it hurt? What is going on in their world that triggered the need? What would be their perfect solution if they could describe it? Are they collecting information for a team? What is the timeline for finding a solution? What information would you need from us to be considered as your solution?

Great phone/social and (most of all) listening skills are a huge plus here. And for most Sales teams, the earlier your prospect is in the buying process, the better—it gives your team a chance to be consultative and influence the specs, thereby gaining the inside track. Once you have enough data to determine BANT, try to move the prospect toward meeting with a sales rep. As a result of this process, most real prospects will see the meeting as a mutual best next step, and that’s where most Sales teams want to be.

Marketing automation systems score the digital data collected from response forms, but we believe that digital scoring alone is inadequate. Some claim this can be resolved by doing progressive profiling within marketing automation, but we have observed it takes too long and is very difficult (if not impossible) to get the critically important BANT criteria established using progressive profiling. As we’ve said, prospects typically are not willing to divulge this information on lead forms. To accelerate this nurturing process, devise a way of scoring non-digital data obtained via professional peer-to-peer phone conversations and other research. Figure 4 shows how digital and non-digital data can be combined to determine whether a prospect is sales-ready, and to add significant competitive advantage for the sales team, which will also boost lead acceptance rates and in turn, sales closure rates. ***This is the new “best practices” model for B2B selling firms. If you can get to this point, your firm will be at the top of its industry.***

CONTACT INFORMATION	Name	Dan Jones	BUDGET & TIMEFRAME	4. Do you currently have a planned project to virtualize some of your legacy applications or a portion of your datacenter?	YES	
	Title	Database Admin, CRM applications		4a. Is the project funded?	YES	
	Company	Heathcare Solutions (HCS)		5. Will a decision be made in 6 months or less, or more than 6 months?	5 months	
	Phone	123-456-7890		AUTHORITY	6. Are you responsible for deciding which vendor or partner best fits your company's virtualization needs?	NO
	Email	djones@hcs.com			6a. If not, who is the decision-maker?	Sally Brown
Address	123 Broadway, New York, NY	6b. What is your role in the purchase decision?	Advisory			
LEAD INFORMATION	Lead Rating	A Lead	SALES APPOINTMENT SET	7a. I'd like to set up a time for you to meet Bob Jones at ABC Technology in the next 2 weeks. Bob has experience with helping XYZ organization (relevant case study) virtualize an important application that is no longer being developed and ran on Windows NT.	Appt set Thurs@2pm	
	Call Summary	Dan is responsible for HCS database administration for CRM applications supporting 2000 users. Most of the company has migrated to the Windows 7 platform but their CRM system was designed for Windows NT and the vendor is not providing an upgrade path to Win 7. Dan is considering a virtualized Win NT environment to support the legacy application because it will allow them to speed performance using new servers based on the latest Intel chips. Appointment is set for next Thursday at 2pm ET.		7b. If you agree to a meeting today I can offer you a \$30 Starbucks Gift Card just for having a 30 minute meeting with Bob next Thursday at 2 pm.		
NEED	1. Are you concerned about maintaining legacy applications on older HW and SW platforms?	YES				
	2. Do you spend more than 10 million on maintaining legacy applications?	YES				
	2a. If YES, how much?	\$12.5M				
	3. Would you be interested in a virtualization solution from ABC Technology that can reduce the cost by at least 10%?	YES				
	3a. Calculate actual savings.	\$1.25M				

Figure 4: Sample of BANT+ Sales-Ready Lead Data.

Source: Direct Marketing Partners

To further support these advanced levels of B2B lead development processes; Sirius Decisions added the tele-prospecting touch process into their highly respected lead-to-sales waterfall process. (See Figure 5.)

This model shows the sales funnel multi-touch process flow in detail, illustrating the multiple touch points required in complex B2B sales-lead

generation. Adding the tele-prospecting touch points helps to increase lead quality and reduce over-reliance on marketing automation; which lacks the peer-to-peer critical thinking skills needed to uncover buyer needs, determine the solution's fit to the buyer's issues, and whether or not there is sufficient urgency to qualify as a sales-ready lead.



Figure 5: Tele-Qualification Increases the Quality of Sales Leads.

Source: Sirius Decisions

12 Ways to Shorten the Lead Nurturing Process

We have been saying it takes seven to 13-plus touches to deliver a sales-ready lead. This is typical—but you can significantly shorten the process by following these 12 tips.

1 Plan with the Perfect Customer in Mind

We recommended earlier that Sales and Marketing agree on the Perfect Prospect Profile. This includes the prospect's position, role in the buying process, how he or she goes about solving problems, authority/influence on purchasing decisions, urgency and the level of need for your solution. Because today's large purchases are often a team effort, be sure to profile every member of a typical purchasing team, which may include four to five members.

This involves a review of the historical sales data. Segment it by customer types and review the profitability data for each. Be sure that you have a thorough understanding of the buying process, and that all relevant "buyer personas" are included. Determine what percent of prospects are converted from basic leads into sales-ready qualified leads. Of these, determine what percent then convert from qualified leads to paying customers. (Sales may already have this data on hand.) These are both important KPIs to identify.

Once you have built personas for each member of the buying team, develop relevant messaging for each of them. If at all possible, it would be helpful to interview some customers in each position about their concerns and role in the purchasing process to gain more insight.

2 Clearly Define a "Sales-Ready Qualified Lead"

Sales-ready criteria are defined by Sales, not Marketing, so you need to turn to your good friends in Sales to get this information. Develop your qualification criteria to include data points required by the Sales team to stage a sales campaign with a high probability of closing that perfect customer.

Digital profile data alone is too limited, as is landing page scored leads. And we have already discussed that prospects are reluctant to provide detailed information on a landing page until they feel sufficiently comfortable about the B2B relationship. So it's time to unplug and get into a peer-to-peer dialog with prospects via those old-fashioned devices, the telephone and the human touch. Remember, this is a pre-sales discussion; it's not yet in the hands of the sales person.

By taking a personalized approach to the conversation, you can begin to build a pre-sales relationship that may inspire a prospect's confidence to the point where s/he may now be willing to share information such as:

- What are the challenges or business issues they are facing?
- What is their sense of urgency to resolve?
- What solution are they using today?
- What alternatives are they looking at?
- Job title and role in the buying process?
- Current stage in the buying/research process?
- Time frame to purchase?
- Size of opportunity?

- Existing budget (or do we need to build a business case?)
- Is the prospect willing to talk to your sales rep? (Getting in early provides an opportunity to influence specs! Wait too long and your company is an outsider with slim chances of winning.)

If they don't meet the sales-ready condition yet, then move them into a 1:1 nurture track until ready and don't waste the sales team's time.

3 Quantify your "Sales-Ready" Lead Quota

Ultimately, it all comes down to numbers. Well-thought-through numbers are what you need to convince Management that Marketing requires additional resources to implement a pre-qualification program to impact sales.

Figure 6 illustrates a simple lead requirements calculator. Starting with your organization's annual sales revenue goal, break it down into revenue per quarter and average revenue per sale. That will tell you how many sales per quarter must be closed to meet sales goals. You can also create lead generation requirements models by territories, division or numbers of product deals, etc.

From the historical sales data that you have analyzed, you can fill in the percentage of prospects converted to qualified sales-ready leads,

and the percentage of those qualified leads that convert to sales. This will tell you how many sales-ready qualified leads Marketing must produce per quarter and per month to meet sales objectives. It's our observation that most firms miss this important step in their plans.

Now you can calculate the resources Marketing will need to take on the added task of pre-qualifying leads for Sales. And you can calculate the ROI of adding these resources, whether contracted from a vendor, or by hiring. This is the kind of hard data Management will need and demand to allocate additional resources to Marketing.

Don't be afraid to play with the numbers. Run them bottom-up and top-down. Create different models for different buying scenarios. Look at the sales steps and current conversion rates. Then create your comprehensive multi-touch demand generation, nurturing and lead qualification plan to feed your company's sales funnel with confidence.

4 Align Sales, Marketing and Management with Your Lead-to-Sale Funnel Plan

Starting with the Perfect Prospect Profile, make sure that your Sales partners and

Scenario	Requirements	
ANNUAL SALES REVENUE GOALS	\$13,000,000	Or 9.3 Closes/mo.
Sales Revenue Goals/Quarter	\$3,250,000	
Revenue per sale	\$115,000	
# Closed Sales Required/QTR	28.3	
Estimated Closed Rate on Pipeline Proposal Opportunities	25%	
# Quality Leads that Must Convert to Pipeline Proposals/QTR	113	
Est. forward conversion rate from sales-ready lead into Pipeline	40%	
# Qualified Sales-Ready Leads Required per Quarter (Prospects meeting sales-ready criteria)	283	
# Qualified Sales-Ready Leads Required per Month (Prospects meeting sales-ready criteria)	94	

Figure 6: Sample Lead Requirements Calculator

Source: Direct Marketing Partners

Management are completely on board with your program—in writing. It's especially important that Sales or channel reps have signed off on a commitment to engage sales-ready prospects within a certain period of time, and that this is all tracked in the CRM system. Your best efforts will go for naught if Management doesn't allocate the proper resources, or if Sales lets your hot, sales-ready qualified leads slip out of the sales funnel.

5 Segment Your Target Markets

As the old saying goes, don't try to boil the ocean. It's a great deal easier to segment your target markets into smaller, more manageable segments that it is to try to address all markets at the same time. The most relevant segmentation is to customize your message by whether the individual is a customer or a prospect. A customer should be treated and addressed as such, or you risk insulting him/her. Secondly segment by industry, company size and prospect title/job function. (See Figure 7.)

Compare campaign performance by segment to identify which segments perform the best.

Historically, smaller, well-focused campaigns outperform larger, less-focused campaigns. Messaging can be more targeted. The campaigns tend to be less costly, yet more productive, and conversion rates are higher. Filter inbound responses into your segments and monitor the touch quotas—you are likely to see fewer touches required for conversion.

6 Improve Target Prospect Data

Forrester Research reports 37% of firms indicate that acquiring good prospect data is a significant marketing problem at their company. Our guess is that the reality is more than 50%. The prospect database is only as good as the accuracy of the data, and it is a never-ending task keeping the data clean and current. People move around from job to job and company to company; companies are acquired or merge.

Usually, your prospect database is inherited from those who came before you. It is often a jerry-rigged compilation of data from different departments, with little consistency in the

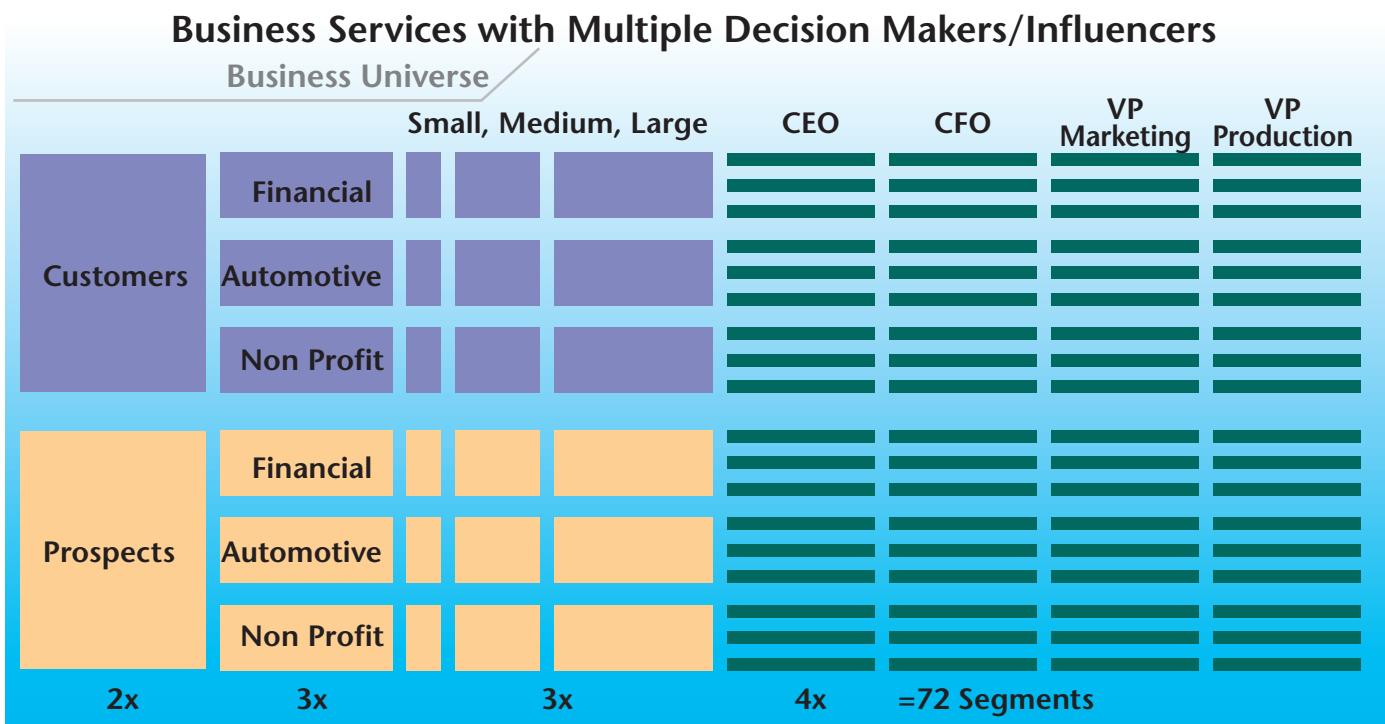


Figure 7: Common B2B Market Segmentation

Source: PODI

kinds of data being collected. Until you have standardized and fixed the database, it will constantly create gaps in your marketing tools and CRM system.

Because database cleanup is a huge job, the tendency to delay dealing with it is sometimes irresistible. But the ROI on a really good database is significant. Devise an approach to fixing and standardizing the database by creating a formal assessment, de-duping and cleaning process. Then create a standard to keep it current and consistent. Put all potential prospect records through this process. The payback is worth the investment of your time and attention.

7 Make Your Offer Compelling

Always offer something of perceived value. Research has shown that valued offers do get better results. Content can sometimes be your best offer if you have information that your customer can use in their work. ROI calculators are usually popular, as are educational white papers and case studies. Do a little research to find out what each segment will find interesting and compelling. (See Figure 8.)

8 Tell a Story with Your Content

Your content must tell your prospects a compelling story to convince them that you understand their issues and have the solution. Content must be personalized to the segment you're

addressing; the verbiage that appeals to engineers may not communicate as effectively to other members of the buying team—such as finance.

Use consistent messaging across all touch point media, and sequence it to the buyer's journey. You must earn the right to gather the qualification information by providing relevant, meaningful information that resonates with buyers and positions you as a peer and an industry leader—someone with whom they want to speak.

Strive to be memorable. This can be done through creative images or verbal themes; just stay away from the overly cute and gimmicky if you want to be taken seriously. (This varies from industry to industry, of course.)

9 Listen to Prospects and Engage with the Human Touch

The Direct Marketing Association (DMA) reports that tele-prospecting (when used properly) delivers the highest response rate of all direct marketing media. People are busy. They can easily disengage from online media, or skip over your emails without much thought. It's harder for people to ignore a real person on the phone with a compelling message.

A personalized tele-prospecting call can be extremely efficient in soliciting information that many customers are reluctant to offer online or in any other way. Listen to the prospect like a peer—

Offer	Responsiveness (1-5)	Qualified (1-5)	Optimum Offers
ROI calculators	3	5	15
White Papers/Guides	3	4	12
Case Studies	4	3	12
"Relevant" giveaways	4	3	12
Video Clips or demo	4	3	12
Webinars	2	5	10
Live events	1	5	5
Free Giveaways	5	1	5
Tradeshows	2	2	4

Figure 8: Business-to-Business Offers and Content

Source: PODI

that is, as though you were in their shoes. Find out what they need/want to know. Train your calling team to provide helpful information and insights on the call to create value first. Do this before you start asking for the data you need to determine whether or not they are qualified.

Many firms struggle with the listening aspect; it's a hard skill to master. However, history shows us that when inserted as part of a multi-channel touch sequence, the human touch can take a non-responder to qualified status quicker than other channels. Timing is everything, of course. If you wait too long after a prospect responds to make personal contact, the opportunity may be long over.

10 Send an Email or Direct Mail as First Touches

Some people ask, "If a tele-prospecting effort is ultimately what's needed, why don't we just skip the outbound email or direct mail campaign, and just cold call?" You can do cold calling without campaign support. However, sending email and/or direct mail in advance makes it a warm call, and this helps open the door. Our experience is that "warming" prospects first with such a campaign increases teleprospecting productivity by 30% to 40%. You can reference the campaign to draw prospects into a relationship and a peer-to-peer conversation. If they read the campaign material, the prospects may be better informed than they would be if no touch preceded the call.

11 Track All Touch Metrics

Because marketers are so busy, tracking metrics sometimes get left in the dust. Don't allow this to happen. Metrics are your best friend when it comes to gauging the success of campaigns and allow you to learn by comparing different approaches and their effect on the lead to sales conversion pipeline. Metrics are also the only way to justify your budget and very existence.

Set up your campaigns with the idea of testing and benchmarking tactical campaign results foremost in your mind. Make sure your systems for tracking are in place before you launch, and that Marketing and Sales are in a position to freely share and compare data status. Constantly monitor funnel conversion rates and stay current on where you stand vis á vis the master plan and sales goals.

12 Acquire/Develop Comprehensive Lead Management Resources

Implement a lead management system and team that give you end-to-end visibility into all of your campaigns. Lead management is critical to staying on track with your plan and your quotas.

Important: Get the manual process working first, before you automate. If you purchase the software first, you may discover that the software doesn't have all the capabilities you want. Refine the process, and then buy the right automation tools.

Multi-touch marketing is complex. Some prospects will be touched dozens of times by multiple touch vehicles. Track them all. (If you can find marketing automation software that tracks both online and off-line touches, so much the better. Many software packages only track online, which provides at best a partial picture.)

You will need a skilled and experienced team to make this work. Whether you contract this work with a lead management services firm or bring it in-house is less important than making sure you have the right skill levels.

Monitor touch streams closely and fix any problems as they arise. One of the advantages of having real metrics is that they allow you to respond quickly when things aren't going as anticipated. And yes, this does happen. By monitoring the funnel conversion metrics you can identify which approaches worked the best, what approaches should be repeated and which discarded.

Multi Touch Campaign - Lead Generation Dashboard

Complete KPI metrics from all components and touch points in the campaign with Red, Yellow and Green flags

Summary Report
1/16/14

Report Period: 8/8/13 to 1/16/14

Project KPI Overview to Date

A: Hot Sales-Ready Leads	B: Warm Prospect Leads	Future Potential	Total A/B Leads	Total List Size	Rep Request Other	New Contacts	Total Call Attempts	Total Graded Records (TGR)	Total Completed Scripts (TCS)	Remaining Calling Hours
9	22	24	31	10,779	0	659	12,307	3,399	471	119.55

Metrics Section

	Total A/B Leads	Calling Hours	Future Opps.	Lit Requests	Dials per Hour	TCS per Hour	Graded Records per Hour	Calling Hours per Lead (HPL)	Lead % of TCS	List Penetration
Actual to Date	31	480.5	24	90	25.62	1.0	7.1	15.50	6.6%	31.53%
Campaign Goal	42	600.0	51	126	20	1.5	4.0	14.29	6.0%	65.00%
Percent of Goal	74%	80%	47%	71%	128%	65%	177%	92%	110%	49%

Figure 1: Lead Count

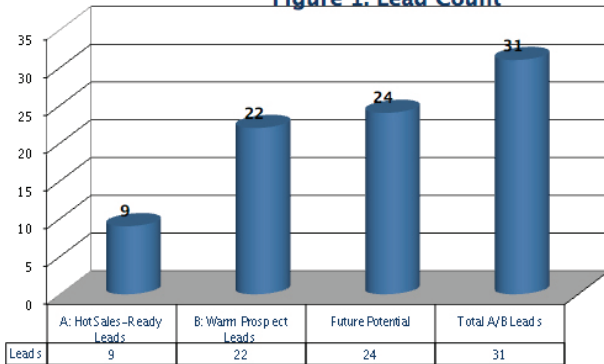


Figure 2: KPI % of Goals

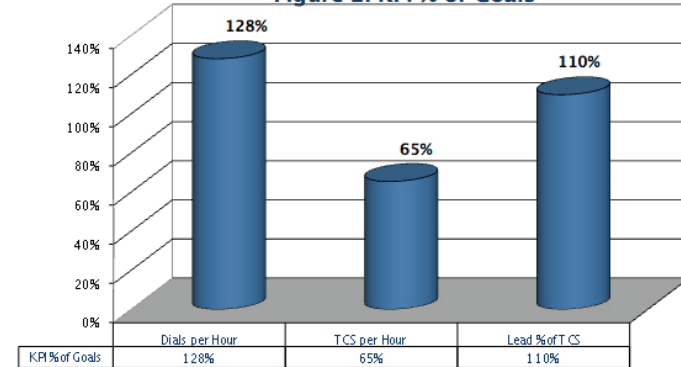


Figure 9: Analyze Key Performance Indicators, Compare to Plan, Make Adjustments as You Go

Two Multi-Touch, Multi-Channel Case Studies

Lest you think that all this advice is merely academic, we offer two real-world examples with which we have direct experience and knowledge. While in very different fields, both companies sell B2B, had similar difficulties in acquiring sales-ready leads, and implemented similar solutions based on the approach we have outlined here.

The Glove Manufacturer

The ABC Glove Corporation (not the real name) is a leader in the field of industrial gloves. The average value of a new customer account to ABC is high—around \$50,000 per customer per year. The target contact is a decision maker in safety, operations or purchasing within metal manufacturing industries.

ABC's ambitious goal was to gain \$2.5 million in incremental sales. The corporation's marketing department tried everything: pay-per-click advertising, email, tradeshow and more—but could not acquire enough qualified sales leads to hit this target. ABC called us in to help them take a fresh and more productive approach.

First, we identified the “sales-ready A lead” criteria based on their selling process and marketplace. Then we did some simple, back-of-the-napkin analysis of the needs of the lead-to-sales funnel. Based on the estimations of the vice president of marketing, we found that achieving an incremental \$2.5 million in annual sales at \$50,000 per sale meant they would have to close 50 new sales in a year. At

a 20% proposal close rate, they needed 250 qualified sales opportunities in the proposal stage. At a 25% conversion rate (qualified sales-ready A leads to proposal rate), ABC needed 1,000 “Qualified A” leads in the sales team pipeline. And the conversion rate of marketing inquiry level (MQL) leads to sales-ready A leads is 10%. The bottom line: ABC Corporation needed 10,000 MQLs in the top of the demand generation funnel process to be able to hit their incremental sales target.

Why Wouldn't Email Alone Work?

The VP of marketing estimated that on the high end, the available universe of contacts in companies in metal manufacturing was roughly 7,500. If ABC emailed all 7,500 and got a 1% inbound response, that would equal 75. If 50% of those leads filled out a form, that would result in 35 marketing-level MQL leads. ABC would have to email to this list at least 285 times to get the 10,000 marketing-level leads in the pipeline. (But it is unlikely that every email would result in a 1% inbound response as the response rates from this small audience would decline over time.)

So email alone could not achieve the sales goals.

Multi-Touch and Multi-Channel Solution

Under the conditions of this small but highly valuable target market, we determined that ABC needed a much higher lead-to-sale conversion process to meet their sales goals. We recommended a multi-touch and multi-channel sequence of email and tele-prospecting with comprehensive metrics benchmarking.

We normally recommend testing different approaches with a small sample of prospects to see which approach stimulates the highest response level. In this case, we tested two offers: a book about physical safety in the metal manufacturing environment versus the offer of a free pair of gloves. The VP of marketing suggested the offer of a free pair of gloves because in his experience, the prospect would request a sample pair in any case, so he felt this would short-circuit the process to some degree. We were less certain, as we have found in the past that a free sample sometimes feels like too much of a commitment early in the relationship. We also tested two lists, an in-house list versus a rental list.

The test showed that the appeal of the offer was about equal between the gloves and the book. (We went with the gloves for the roll out campaign). Both lists performed equally well.

The multi-touch lead nurturing process involved:

- Initial email campaign.
- Initial call (left voice message or in some accounts we must be directed to proper contact).

- Call to engage new contact in the value prop and offers.
- Email to the correct contact, and or email content as requested to support our dialog.
- Call to complete the value prop and offer conversation, listen to needs and pain points and gather those critical data points into the lead qualification script-record, and if qualified, close on ABC sales rep appointment.

Remember that we have been saying it takes seven to 13-plus touches to deliver a sales-ready lead? In this case, the average number of touches was 4.28. Why did our campaign for ABC require so few touches? The answer is embedded in what we've been saying all along:

- Have a good list (few incorrect contacts).
- Develop creative that captures hearts and minds and have follow up content and dialog to support it.
- Offer something of high perceived value.
- Optimize the value proposition delivery by adding tele-prospecting to the mix. This creates a personal relationship with the prospect. Remember: people buy from people, and prospects don't share their qualifying pain points on lead forms.

While we can't share final numbers for incremental sales for this client, we do know that the client's sales team is delighted with the results and they are continuing to implement our multi-touch, multi-channel approach.

The WAN Software Company

The client is a large wide-area network (WAN) software optimization company, XYZ Software (not the real name).

The sales process for this category of product is complex—and not made any easier by the fact that XYZ sells to IT professionals, who are extremely busy and difficult to reach. The pain point for these professionals is slow-running networks, but isolating the speed issue is often difficult and easily trumped by fire-fighting situations that demand immediate attention.

XYZ Software had been marketing with email campaigns, webinars, pay-per-click (PPC), and trade shows. As is often the case, there was no process in place for tele-qualifying inbound leads or generating qualified sales opportunities. This resulted in a large number of unqualified “warm” leads in the sales funnel that either dropped out of the funnel or remained in the funnel without further attempts to qualify them. Consequently, Sales was not following up on the majority of leads because they were not sales-ready.

XYZ called us in to figure out how to turn more “warm” leads into prospects and turn more prospects into customers. As we did with ABC Glove Corporation, we recommended a multi-touch, multi-channel lead nurturing program that integrated a tele-qualifying process owned by Marketing. We tested two offers: a Gartner Magic Quadrant versus an on-demand webinar/seminar featuring a Gartner analyst. We also tested three

lists: the house lead file, a rental list of the primary competitor’s customers, and a webinar/seminar attendee list. Later, as the program rolled out, we included webinar attendees and inbound responders in the lead nurturing program.

As it turned out, both offers performed equally well, splitting nearly 50/50. All of the lists were productive, but because we tracked the metrics, we were able to determine that the webinar list outperformed the others.

We tracked the number of attempts to reach IT titles for each list. The number of touches required to convert a prospect into a sales-ready lead ranged from two to nine touches, with an average of 7.51. (Please note this is significantly fewer touches than we have been saying are required. This is directly due to the combination of multi-channel outbound marketing with tele-qualification, which raises awareness and establishes a more personal relationship with the prospect.) Webinar attendance outperformed the other outbound marketing techniques with an average of 2.5 touches, moving prospects through the buying process more quickly than other efforts.

Because we were tracking all metrics, we were able to determine that the messaging wasn’t resonating with customers the way XYZ thought it would. When conversion rates don’t manifest at a satisfactory rate fairly early, it’s time to make a change. We addressed this quickly, listening to prospects and revising the messaging to suit. We also provided more training to the tele-qualifiers, improving their product knowledge and training them on different

ways to overcome objections.

We also changed the messaging about XYZ's prime competitor. Instead of talking about the competitor as such, we repositioned XYZ's technology as a solution to problems encountered by users of the competition's product.

As part of the lead nurturing program, the calling team followed up with prospects by sending informational material such as white papers and case studies as well as invitations to on-demand webinars

designed to refine the sequential touch points, improving the quantity and quality of dialogue with prospects. This helped to establish a sequence of nurturing by educating prospects on the viability of XYZ's offerings.

We cannot share the actual numbers that resulted from this multi-touch, multi-channel program, but we can say that the program is still in place at XYZ Software, and the competing company has experienced some loss of market share as a result.

Conclusion

Traditional outbound marketing and inbound digital programs are insufficient to develop and deliver the new "sales-ready" qualified leads required to fill the B2B sales funnel today. Marketing must step up to the plate and take on the responsibility of generating and tele-qualifying warm leads before passing these on to Sales. This is a paradigm shift for Marketing and will require Marketing to justify the resources required to add tele-qualifying to its functions. The reward is a boost in qualified, high-caliber leads delivered to Sales (making Marketing of greater value to Sales), and increased sales conversion rates (of value to everyone). It also means that Marketing must become rigorous about tracking all metrics, because in these leaner times, obtaining budget depends on a strong case and a proven ROI.

Multi-touch, multi-channel programs such as we have outlined here represent a way for Marketing to graduate from the position of being a necessary evil to become an essential and valued player on the corporate revenue team.

About Direct Marketing Partners

- DMP is a lead management and lead funnel qualification services provider for B2B selling firms. DMP provides customized lead-to-sales service bundles and is an extension of our clients' demand gen teams.
- Clients receive dedicated trained teams to execute multi-touch email, direct mail and peer to peer tele-prospecting campaigns with marketing automation and funnel metrics to optimize lead to sale conversions.



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Direct Marketing Partners

2045 Hallmark Drive, Suite Five
Sacramento, CA 95825

(916) 964-6969 x4 VOICE ♦ (800) 909-2626 x4
info@dirmkt.com

www.directmarketingpartners.com ♦ *Blog: www.directmarketingpartners.com/blog.html*