



CATALYST

A B2B BRAND CONSULTANCY

BrandMatters

www.catalystb2b.com

White Paper

Solving The Sales Lead Generation Challenge



CATALYST

A B2B BRAND CONSULTANCY

BrandMatters

www.catalystb2b.com

White Paper

Solving The Sales Lead Generation Challenge

"Lead generation should be viewed as a conversation, not a series of disjointed campaigns. Your goal should be to help develop a relationship between your company and its prospects. "

Marketers are more challenged than ever to generate and help convert sales leads. Today's prospects have a general lack of trust and they simply don't want to be sold. They are weary of pitches, hype, manipulative marketing tactics and pushy sales people. They are time constrained and too busy to be bothered by communications messages that don't meet their needs. So what do they do with most sales and marketing messages? They simply ignore them. To break through, you must build trust by delivering timely, relevant and meaningful information - consistently.

Setting the Right Tone

Lead generation for a complex sale is all about identifying the right people at the right companies, initiating a dialog with them, and then nurturing those relationships until the prospect is a "sales-ready" lead.

The three essential elements of building a successful B2B sales lead program are:

- 1. The right mindset about lead generation** – Lead generation should be viewed as a conversation, not a series of disjointed campaigns. Your goal should be to help develop a relationship between your company and its prospects. To develop the relationship, you need to continually deliver information and offers that your audience perceives as increasingly helpful and relevant to their particular needs.

Experts have found that more ROI is actually reaped from the ongoing tending of potential customers over time versus simply trying to engage new prospects through a single communication. It requires sustained effort to succeed. The key word is consistency, not instant gratification. Research shows that buyers choose the supplier who has been a resource and has developed a relationship with them regardless of their timing to buy. Time and time again it is proven that customers want the supplier they deal with to understand their business, their needs, and the pressures under which they operate. These suppliers become trusted advisors.

Continued...

2. Sales and marketing working together as one team – Lead generation is the number one touchpoint between sales and marketing, yet research shows that salespeople don't always value the leads developed by marketing – and marketing complains that they don't get enough feedback on the sales leads they provide. What happens is that poor quality leads continue to be passed along, and are then often ignored by sales people. The key lies in developing a common understanding of a qualified lead so that marketing passes on a lead only when it meets criteria established by sales. Very few companies have a clear and universally-applied definition of what a qualified lead is. Clearly, sales people want more sales leads, but they certainly would prefer more quality over quantity. The point is, sales and marketing must be on the same page in terms of what they expect from each other.

3. Developing future leads through a process of lead nurturing – Research shows that early-stage leads, often ignored or discarded by sales people, represent between 40% and 70% of missed sales. If you don't have a process to nurture leads along every step of their buying process, you may lose them to the competition. Lead nurturing provides a methodology to communicate with customers and turn early-stage inquiries into highly qualified sales-ready leads. Lead nurturing is all about having a relevant and consistent dialog with viable potential customers regardless of their timing to buy. A key aspect of lead nurturing is the ability to provide valuable education and information to prospects up front, in order to become a "trusted advisor." You will then be perceived to be an expert. It's not about selling or making pitches. It's not a sales person (or telesales person) calling up every few months to find out if a prospect is 'ready to buy yet'. Instead, you need to provide insights and solutions, all within the realm of your differentiated expertise and thus become the first source they call when there's a need.

Finding Sales Opportunities

There are many mediums to generate sales leads including advertising, publicity, direct-mail, telemarketing, newsletters, white papers, seminars/webinars, trade shows, email, search engine marketing, referral, word-of-mouth – the list goes

on and on. However, without careful planning and execution, none of these will produce the results you want. Sales lead generation becomes easier when you follow a well-defined process:

- **Strategic Planning** – Before implementation, it is important to learn all you can about the current marketing / sales situation relative to your goals. What's required is a comprehensive exchange of information and ideas among Marketing, Sales and your communications partners. The more specific you are, the easier it will be to tie strategy, tactics and results back to goals.
- **Targeting** – It might appear obvious, but before programs are launched, you must clearly define your target audiences. How you segment and target the market will have enormous impact on expenses and the efficacy of the tactics you select. The best place to start is by determining who your best customers are, then to target companies and individuals who are similar in nature. In addition to defining targeted industries, companies and job titles, you also need to develop a collective understanding about what prospective customers worry about, what their opinions are, how they think, what decision-making and decision-influencing criteria they use. It's often useful to craft this understanding as a "persona" for each targeted group.
- **Database Development** – Naturally, you will need a database or CRM tool that gives you the platform from which to capture, segment, nurture and track customer and prospect activity.
- **Message (Value Proposition) Development** – Buyers no longer respond to generic messages and bland marketing promises. Before launching any lead generation campaign, you must first craft hardcore value propositions for each product or service solution that will be promoted. A good value proposition will:
 - Focus on a market segment and specific customers
 - Describe tangible and intangible benefits your product or service solution will supply
 - Quantify how much money you will make or save the customer

- Differentiate your solution from competitors in all communications
- Specifically link your product / service to the target audience
- Ultimately, it should also bring your company positioning to life for prospects

• **Identify Appropriate Tactics** – Some tactics are designed primarily to build brand awareness or brand loyalty, but it could be argued that, today, no business-to-business marketing tactics are more important than those designed to generate qualified sales leads. The most effective tactics for this purpose are the following:

- Direct-marketing to generate raw inquiries – Typically, letters, postcards, multi-part mailers, newsletters, telemarketing, and email are most effective.

The success of direct-marketing will be dependent on the following:

- Contact List (probably 60% of success is dependent on a good list)
- Offer (25% of success)
- Creative (10% of success)
- Timing (5% of success)
- Website and online marketing to “catch” searchers (also includes search engine optimization) – Studies show that about 90% of business buyers start with research on the internet. Therefore, it is critical to have well-tuned search engine optimization to attract prospects at the beginning of their buying cycle. The website must also be optimized to help solicit responses from visitors.
- Events to move prospects toward a purchase – These could be live events or online webinars.
- Relationship marketing to stay in touch with prospects and move them along the buying process – This involves periodic contact with prospects primarily via email or phone.

Also important are strong lead generation offers designed to stimulate prospects to request more information. The most valuable business-to-business offers tend to be white papers. Others include ROI calculators, product selector tools, and research results (that help prospects benchmark themselves against others). Certainly, personalization of communication pieces also helps.

- **Build a Lead Generation Plan / Calendar** – In lead generation, success is determined over the long term. Your lead generation efforts should include a portfolio of tactics that you apply consistently over time. You cannot hope to succeed by simply sending out one mailer or a small set of direct-mail pieces over a short period. The right approach involves a scheduled set of activities working in synergistic harmony to create results over time. By putting together a plan and activities calendar, you can optimize prospect touches and get the most from limited budgets. You should not be in this for the big hit. You're investing in planting seeds that will eventually grow into relationships. You might also want to consider testing of concepts, offers and campaigns before rolling them out en masse.
- **Implement the Plan** – Implementation involves utilizing available internal and external resources in the right way.
- **Rigorously Qualify Prospects** – Once you have your specific qualification criteria, then all prospects can be measured against this standard and passed along to sales when they meet the criteria
- **Nurture the Best Prospects** – For prospects who are not ready (according to the criteria), you should continue to communicate with them. With many new online tools, this can be done with a high degree of automation. Catalyst has a tool called SystematicMarketing™ that serves this purpose for clients.
- **Track Results** – You must always know the results of each campaign. Data about respondents will help guide future actions. You must be willing to use this data to not only guide long-term plans but also change weaker efforts on the fly.

If you'd like to learn more about how Catalyst can help you energize your sales lead generation programs, contact us today. We've got some ideas.

The information on the next few pages might help you think about how to structure your sales lead generation programs...

These are many of the tools you can use to stimulate sales lead generation.

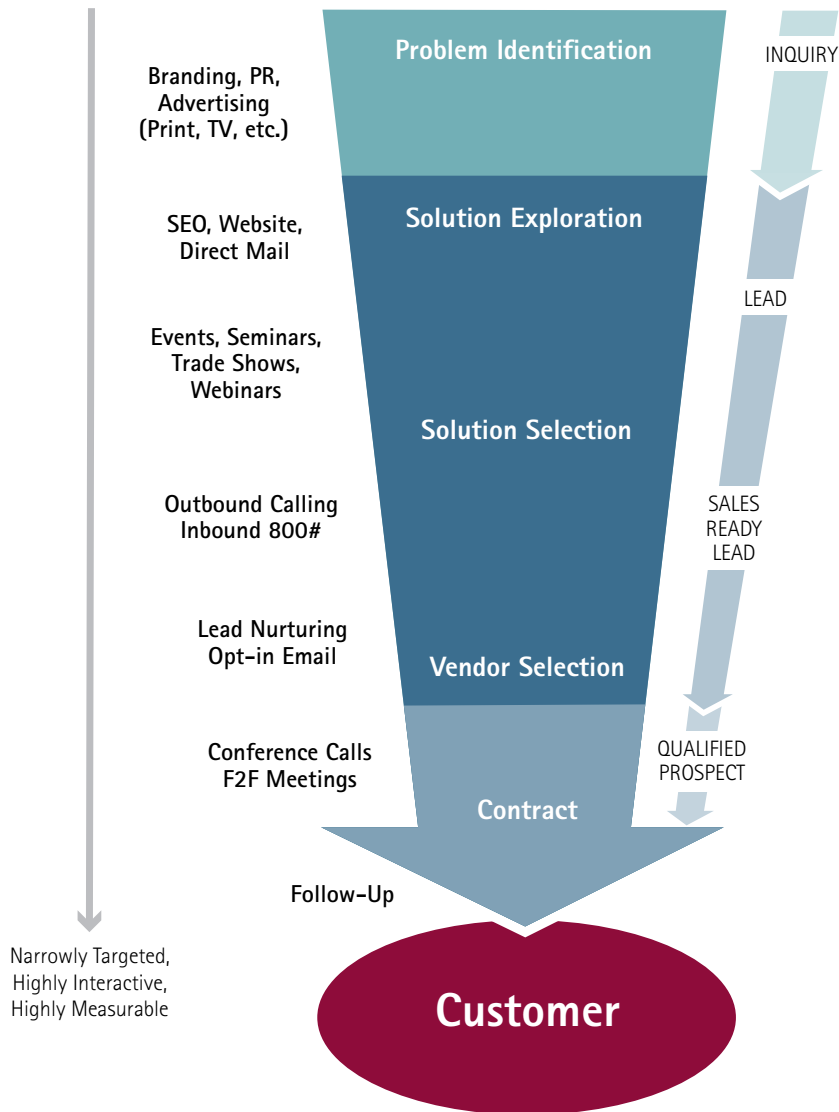
Sales Lead Generation Methodologies



Prospects must be treated differently at different stages in the process. Move them through by offering more qualified information as they progress.

Sales Lead Generation Model

Broadly Targeted, Less Interactive, Less Measurable



This is the type of analysis you should be doing to help justify your efforts and guide future actions.

ROI Evaluation Method Example

Total Marketing Budget: \$1,000,000

	Outbound Phone	Email	Website	Direct Mail	Seminars and Events	Advertising	Alliance Referrals	PR	Online Marketing
% of Budget	30%	2%	5%	20%	15%	17%	5%	4%	2%
Budget	\$300,000	\$20,000	\$50,000	\$200,000	\$150,000	\$170,000	\$50,000	\$40,000	\$20,000
Inquiries	0	500	500	500	500	500	500	500	500
Cost per Inquiry	N/A	\$40	\$100	\$400	\$300	\$340	\$100	\$80	\$40
% of Qualified Leads	N/A	5%	10%	5%	10%	5%	15%	5%	10%
Sales Ready Leads	250	25	50	25	50	25	75	25	50
Cost per Lead	\$1,200	\$800	\$1,100	\$8,000	\$3,000	\$6,800	\$667	\$1,600	\$400
Close Rate	10%	10%	10%	10%	10%	10%	10%	10%	10%
Number of Sales	25	3	5	3	5	3	8	3	5
Cost per Sale	\$12,000	\$6,667	\$10,000	\$66,667	\$30,000	\$56,667	\$6,250	\$13,333	\$4,000
Total Number of Sales	60								
Average Size of Sale	\$200,000								
Total Revenue	\$12,000,000								
Total Marketing Return on Investment	1200%								

Some things to think about when you are planning or reviewing your sales lead generation programs.

Sales Lead Generation Checklist

The following checklist will help you optimize lead generation results. These techniques can be applied to all types of lead generation programs.

- Focus on inquiries instead of image and awareness
- Make text easy to skim (use subheads, bulleted copy, and captions for photos and illustrations)
- Talk about the uses for the product or service
- Use testimonials
- Execute with frequency (message must arrive when the prospect is thinking about his or her problem)
- Talk about benefits, not just features (answer the prospect's question, "What's in it for me?")
- Talk to both sides of the brain (photos, illustrations, icons, etc.)
- Offer a compelling reason to respond today
- Make both types of offers (product / service + what they get if they respond)
- Merchandise the offer (highlight things like your "Selection Guide" or "ROI Calculator")
- Use the "you" point of view
- Ask for the order
- Offer multiple ways to respond (website, phone, etc.)
- Utilize personalization to tailor the message to market segments, companies and individuals
- Cross-sell other solutions

To learn more, contact:

Brian Odell

President

(401) 732-1886

bodell@catalystb2b.com

www.catalystb2b.com