B2B Lead Generation Insights

6 things you can do to generate more and better quality leads.

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Introduction

"Customers" are why we are in business. It's a cliché, but it's also the truth. In the B2B world, lead generation and prospect sales-cycle management are key to ensure your sales funnel is always full. Surprisingly, many companies are not doing a very good job in this area. Not having or knowing how many leads you have in your sales funnel and at what stage they are in the sales-cycle can have huge impact on your bottom line.

So how do you find new customers? Where should you spend your marketing dollars? How do you measure your ROI? The following guide shares six key insights you can implement to ensure your company is maximizing their investment in lead-generation activities.

1. Branding – Does it matter?

This is an ongoing argument. Some will say YES branding does matter and works to support our marketing efforts and others will say NO it does not matter we just need to get out there and sell.

So does it matter? Yes it does. Ask a group of your clients how they came to be your clients? Chances are the number one response will be "referrals" followed by: they saw information on your company or learned about you through a seminar or speaking engagement, in other words your reputation or "brand" influenced their buying decision.

What to do:

While it does matter, make sure you are investing in brand building activities that will influence your target market. In the B2B world, chances are TV and Radio will not help you. A better investment might be targeted media spends in applicable trade publications or web sites as well as sponsoring webinars or participating as a speaker in relevant seminars. This will yield you the best results.

2. Target Markets – Who are your prospects?

How well do you know your target markets? Answer these questions and give yourself 2 points for a Yes and 1 point for a No:

1. Do you know the profile of your target prospect? (industry, # of employees , revenue, etc.)
2. Do you know the title of the decision maker you should be targeting?
3. Do you know the names of the actual companies you should be targeting?
4. Do you know the actual names of the decisions makers in those companies?

If your score is 8, congratulations you do know your target prospects. Six or less, there is room for improvement.

Why is this important? To be successful in marketing, lead generation and sales, you need to know who your best potential customers are. There is a direct relationship between knowing exactly who to target and maximum ROI on lead generation activities.

What to do:

Look at your current customer base and decide who your best ones are. Profile them to as granular a level as you can get including their industry, size, location, decision maker's titles, etc. Now, to get a highly targeted prospect list that will yield the best ROI for your lead generation activities, go out and find all the companies that fit that profile. Purchase lists from relevant trade publications or other database providers that will give you your targeted profile. Continue to work to refine the profile and lists to drill down to find those contacts that will likely give you the best return from your marketing investment.

3. Contacting Prospects – What works?

A highly defined prospect list is the starting point, but what is the most effective way to contact them? Research[1] consistently shows the top two most effective ways to contact prospects is through: #1 Referrals and #2 Telephone Prospecting. Referrals can come from clients, partners or suppliers but they represent your best way to contact your prospects. This is of course is intuitive, in that the person making the referral already has a trusted relationship with the contact and has prequalified them to some level. You are granted the same level of trust as a result of the referral. Less intuitive however is that telephone prospecting can be almost as effective. There is a general stigma associated with telemarketing, yet if implemented correctly can be very effective. The purpose of the telemarketing is what determines it's effectiveness. What you should do is use the telemarketing as a way to introduce your company and learn more about the prospect, not sell them on the phone. It is very unlikely that you are going to call someone when they happen to be "sales ready", but you need a starting point and this is it. What you want to do is approach your prospects with value based offers such as industry insights, whitepapers or best practices and gain their permission to stay in touch.

What to do:

Referrals and telemarketing need to be part of the sales process, but it should also be part of your marketing process. Take your highly targeted prospect lists and determine which ones your sales team should be contacting. These would be one where you can answer Yes to each of the four questions: Do you know the profile of your target prospect? (industry, size, revenue, etc.) Do you know the title of the decision maker you should be targeting? Do you know the names of the actual companies you should be targeting? Do you know the actual names of the decisions makers in those companies? The remainder can be assigned to a telemarketer to continue to try and refine the prospect list, by calling, asking questions, providing value and getting permission to continue to communicate on an ongoing basis. As the contacts become more qualified or are “sales ready”, they can be routed to your sales team.

4. Nurturing – Is your bucket leaking?

Lead management is key to long-term profitability. Sales teams are usually highly motivated to find “sales ready” leads… those contacts that are ready to buy now. Industry research[2] however says that only 10% of all leads are in the “sales ready” bucket. The remaining 90% are not ready or able to make a purchase decision and require a nurturing plan…but do you have one?

Lead nurturing is about managing qualified leads throughout the sales-cycle. It’s not about weekly calls asking them to buy, but about demonstrating value, keeping top of mind and positioning your company as a resource so when the lead is sales ready, you are the one they contact. If you have a qualified prospect list and a good contact plan, you need a way to manage your leads. Without a good system, you are wasting time and money by losing track of leads and losing potential future sales.

A nurturing plan requires strategy, tactics and systems. For strategy, your company will likely have some level of thought leadership where insight and innovation can be harvested. These are key starting points from which tactics will be developed. You will also need a highly automated system that can manage the lead nurturing process using various marketing tactics and then qualify leads as they become sales ready. The following is an example of a campaign that focuses on a single strategy and integrates several marketing tactics to generate leads:

1. You determine your company has a level of expertise that is unmatched by competitors. The expertise is focused through a key innovator in your company and you want to tell the story.
2. You decide that there are several seminars where there is an opportunity for the key innovator to speak to an audience that fits your target market. You know leads will be generated by this activity.
3. You also want to create a white-paper to provide in-depth insight on these innovations and distribute it through an email campaign to existing clients and target prospects from which you will generate further interest and leads.
4. Several keywords will also be used to support your Search Engine Marketing initiatives and your landing page will collect lead information.
5. You determine that a direct mail campaign to key C-Level executives would be timely and will also generate leads.

In the above example, you are going to generate interest and leads, but can you handle them? This example is for a single campaign, what if you had 10 different campaigns running at once? Are you only going to deal with the 10% that are sales ready? What about the 90% that interacted with your campaigns on some level but are not sales ready? In 18 to 24 months 20% to 40% of this group will purchase the product or service. They represent a huge future opportunity, but only if they are managed right.

What to do:

You may have "in-house" expertise to help create a system for capturing leads for a given campaign, but they may fall short in terms of delivering an ongoing nurturing plan. Also, most companies can't provide the IT resources to create, manage and maintain a system for each different campaign. You also may or may not have internal resources to help discover the insights or innovations that exist in your company and then take those insights and innovations and package them into something that can be easily distributed. Luckily there are Agencies and Service Providers that can help. Seek them out as they can provide solutions for strategies and tactics as well automated lead management. Weigh the pros and cons of keeping everything internal vs. outsourcing or decide which elements you only want to outsource. There is no work around here, you need a way to handle lead nurturing if you want to increase your marketing and sales effectiveness and long-term profitability.

5. Something for Something – What's the incentive?

Quid Pro Quo is Latin meaning "something for something" in other words something given or done in exchange for something else. The lead generation process is about trying to qualify targeted prospects throughout the various stages of the sales-cycle. For example, someone goes to your company web site, views several pages and clicks on some links. Without them providing you with some way to identify themselves, you only see them an as an anonymous visitor. No lead here. Now what if they where to provide you with their name, phone number and email address as well as some information on their company, their title, areas of interest or maybe their purchase timeframe? Now we have a lead. People are very sensitive and selective as to who they provide personal information to, however research[3] has shown that if the incentive has enough value, the person will provide the information.

Quid Pro Quo strategies and tactics need to be incorporated throughout the lead generation, sales-cycle and customer management processes. Encourage your prospects and customers to provide you with information and insight into their needs and wants so that you can communicate with more meaningful and relevant information. Then use incentives to reward desired actions and customer loyalty.

What to do:

Take an inventory of your current and future offerings to determine their value and then think through how each should be used. Value offerings such as whitepapers, best practices and webinars are best exchanged for information and most effective in the lead generation and nurturing processes. Contests and sweepstakes are great incentives for existing customers to reward loyalty or generate "calls to action" like providing referrals or completing a survey. Consider using both as highly effective ways to encourage your prospects and customers to provide information or take action.

6. ROI – How do I get there?

You are investing in branding, prospect lists, contacting processes, lead management systems and encouragement strategies all in the name of creating sales and profit. But how are you going to measure your return on that investment? The only way to do this with any accuracy is by having a closed-loop marketing system. This is where you can manage and measure throughout the entire sales-cycle process from initial contact to completed sale. You need to be able to manage and measure your:

- Branding Activities - how much did I spend and how many leads did generate?
- Target Lists – how good is my profile, which segment do I get the best return?
- Contacting – are my sales teams using referrals, what are my results on my telemarketing?
- Nurturing – what leads are hot and what leads need more development, does my sales-funnel have enough leads to support my revenue targets?
- Encouraging - what incentives are getting me the best results, where can I apply incentives to get the desired "call to action"?

Having a closed-loop marketing system that you can control and adjust to fit your specific business needs will allow you to clearly define your costs for lead generation. Managing and measuring the lead generation and sales-cycle processes will also allow you to keep track what sales actually closed. Once you are able to matchup the lead generation processes and costs with the specific sales that closed, your ROI becomes a whole lot easier to determine.

What to do:

Approach your lead-generation marketing activates with a systemic view. Understand that branding, targeting, contacting, nurturing and encouraging all play an important role in the sales-cycle. Your branding activities might be more about positioning your company, but asking a prospect if they recall seeing an ad or information on your company allows you to assign or justify a portion of the branding cost. Knowing that a certain type of customer segment is more responsive to your lead generation activities allows you to focus more on that group. Seeing that referrals lead to more sales allows you to create incentives for your sales teams and customers to ask or give referrals. You need both a commitment from your marketing and sales teams and a technology based system that can be highly automated and customized to fit your specific business needs to fully measure and manage your lead-generation ROI. Look for help from outside vendors either on a turn-key basis or only for specific products and services. Turn-key will get you a closed-loop system, but if you are prepared to invest some time and energy, you can also get pretty close keeping some things in-house and outsourcing the rest.

Footnotes

1. What's Working In Lead Generation, Rain Today & Wellesley Hills Group, April 2008
2. Ten Tips for Effective Lead Management, Marketo Inc, March 2008
3. Finding the Ideal Incentive: How We Increased Email Capture by 319%, Marketing Experiments Journal, April 2008

About Verge Marketing

Verge Marketing is a company that provides scalable demand generation and lead management processes to the B2B marketplace. Verge works with its clients to plan, execute, automate and analyze integrated lead-generation marketing campaigns including email, direct mail, landing pages, web forms, surveys , incentive programs and more.

Using innovation and insights as well best practices and best-in-class technology, Verge is able to deliver repeatable, sustainable and measurable results for clients lead-generation activates.

Verge's leaders and team members are highly knowledgably, experienced and motivated to provide superior customer service.

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