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Integrated Direct Marketing Services

5 BASIC COMPONENTS OF A LEAD MANAGEMENT PROCESS: Tips & Techniques for Better Return on Your Marketing and Sales Activities

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Overview

As business-to-business marketers more often are charged with generating measurable results, it becomes more and more critical that they create programs that contribute to the revenue stream. One way for companies with complex sales cycles to do that is to incorporate comprehensive sales lead management programs into their direct marketing mix. A sales lead management program, done correctly, will help marketers identify the right kinds of customers for their company.

By identifying the right customers to begin with, you will spend less money on printing, postage, fulfillment, telephone marketing, and acquisition costs. Additional long-term benefits that your company will realize are lower costs for customer care, higher potential for up-selling and cross-selling, reduced sales cycles, and higher customer lifetime value. These benefits positively affect your company's shareholder value, which is the ultimate goal of your marketing efforts.

When designing a high-yield lead management process, involve representatives from all functional groups with a stake in the results (sales, marketing, customer service, MIS). The process manager retains ownership of the prospects until they reach a certain sales "readiness." When ready, the genuine sales opportunities are handed off to sales staff while the process manager continues to develop and monitor longer-term prospect progress.

A carefully designed lead management process delivers high-potential leads, while maintaining sensitivity to the prospect's information needs. You enhance revenue potential, help reduce the cost of sales, and show evidence that marketing and sales dollars have been invested wisely. How? You need a customized database, precise prospect qualification and development schemes, user-friendly lead distribution and "status-back" vehicles. You also need appropriate and timely prospect information and data management capabilities. But first, the requirements.

Resource Requirements

1. ***Staff*—dedicated, trained personnel, including data entry, teleprofessionals, programmers, program managers, and mailroom/warehouse.**

2. ***Tools/facilities*—relational database, network, and communications software. PCs, file/fax/internet servers, and phone system hardware. Office and warehouse space.**

3. ***Management commitment*—top-level recognition that lead management investments will yield an adequate ROI.**

How To

1. Database/Data Capture

- Customize prospect information gathering to support your business objectives.

- Include tables for company-specific data: sales force/channel assignments, lead sources, literature options, marcom schedules.

- Include fields for prospect data—contact, lead source, demographics, product interest, qualification data.

- Build in capabilities for prospect and sales force communication: e-mail, web-based, desktop faxing, or mailings.

2. Contacting & Developing Prospective Clients

Initial Contact

- Build a qualification scheme defined by the sales force—questions that you will ask of each prospect to gather key information. The answers to these questions will determine whether a sales rep follows up or whether the prospect is developed more fully (need, budget, authority, desires sales contact, specification requirements).

- The same qualification scheme should include questions on key marketing information (demographics, the source of the inquiry, preferred publications) to help your marketing group understand their target and potential markets.

- Develop the process to handle both inbound inquiries via the phone or the Internet, as well as outbound calls to qualify "bingo" leads, trade show leads, and other miscellaneous inquiries. Regardless of how the initial contact occurs, phone, Internet, BRC, or survey, attempt to capture the same qualification criteria.

- Add a proactive lead generation step. To fill your sales lead pipeline fast and efficiently, use well-targeted lists to cold call and profile sales prospects. Using the same qualification scheme, offer a one-to-one introduction to your products and services and collect valuable prospect intelligence.

- For long-term sales opportunities, develop an incubation process for systematic follow-on marketing touches. This can be an automated contact via the Internet, a phone call, a direct mail program or even a face-to-face contact with a sales rep. Build this function into your prospect database and include historical contact, fulfillment, and communication tracking. Prospects expect you to remember what they told you.

- Your prospects will have communication preferences. Use their preferred medium to correspond with them (Internet, fax, phone).

- Each time you make contact, capture where your prospects are in the buying cycle.

- Identify the point at which prospects will be handed off to sales staff for follow-up visit and/or to close the sale.

4. Lead Distribution/Closed-Loop

- Your prospect database should entail distribution of genuine sales opportunities to your sales force. Identify the level at which prospects are handed off. Identify the medium of communicating these opportunities to the sales force. Your level of sales force automation will dictate, for example, whether sales leads are delivered in hard copy, email, or via a web-based lead distribution system.

- As sales leads are distributed, establish a procedure for receiving feedback on those leads. Again, your level of sales force automation will dictate the medium. This information is gathered in the prospect database for qualitative, quantitative, and strategic analysis. It's a key step to linking promotional dollars to sales, establishing bottom-line contributions.

- Your prospect database will tag each sales opportunity according to your defined sales territories and segments. For best results, segment by area code (easiest) or by zip code (granularity).

5. Fulfillment

- Information fulfillment, as part of your lead management process, must be relevant to the requests and requirements of your prospects. The objectives for sending each piece of product literature to any prospect should be well defined. Prospects should receive no more and no less than they require.

- Requests for information can be fulfilled immediately, i.e., electronically, while you are speaking with someone on the phone, or with hard copy literature sent through the mail. All requests should be fulfilled within 24 hours after contact. Your prospect data base allows for special handling requests, i.e., via e-mail or fax.

- Use your web site to provide relevant information to your prospects. Web collaboration software will allow your customer contact reps to "push" specific pages to the prospect in real-time.

6. Data Analysis, Reporting, Access

- The marketing and sales intelligence captured by your prospect database can be used for strategic, qualitative, and quantitative analysis. Your prospect database contains hard data to support marketing and sales decisions and to understand your best promotional campaigns, new markets, future market requirements, overlooked market segments, and much more.

- Once you have begun implementation of the process, define the most valuable way to slice the data for analysis. This will require input from many groups within the company, as well as your MIS group.

- With a server, it is possible to offer real-time reporting and data queries via web access. This on-line application gives all those interested (marketing, sales, management, etc.) immediate access to the data for decision support. Your prospect database intelligence can be set up for on-line queries with standard and customized reports generated and analyzed at anytime by anybody.

Helpful Hints

- If necessary, implement your process in stages. This will make it easier on you, your IT support and your sales force. Establish milestones for each step, but keep the "big picture" in front of you at all times.

- Communication is key! Before, during, and after implementation you must communicate the features, benefits, issues, improvements, and bottom line success of your prospect development process. The prospect is dynamic and highly variable; continually solicit feedback. It's important for participants, especially your sales force, to understand the intensive refinement that goes into keeping the process optimized for them.

- Think big, think outside the box. This is a good opportunity to re-evaluate your marketing and sales processes.

In Summary

With a well-defined lead management and prospect development process you will yield more and better opportunities from the same pool of prospects, you'll maximize near-term revenue, and apply insight to marketing objectives. Like most processes, the lead management "process" has no beginning or end. It continues to evolve as features change and users become more sophisticated about the results they want. If your prospecting capabilities flex to meet the dynamics of your business, this is one marketing and sales support program that will always provide a healthy return on investment.

For more information on how Protocol can help you develop a sales lead management program that will help generate revenue, contact us at 800-865-4390 or knowledge@protocolusa.com