

# Endless Choices. One Solution.

## You've Got Leads; Now What?

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By Marilou Barsam

**Tech Target's Marilou Barsam describes the flaws with most companies' sales leads management processes.**

I recently sat down with the head of my company's HR department to discuss our progress in filling our open positions with qualified candidates. The HR manager said she'd gathered hundreds of names with associated contact information through a web campaign, but, aside from current title and company name/size, she had little else to help her qualify candidates. Her plan was to turn over the list to a telemarketer for further screening. In a couple of weeks she said, "We should have a better idea of which candidates deserved priority attention and in-depth qualification, which might be appropriate for other jobs or future contact, and which would be a waste of valuable time and resources."

You may find this scenario ridiculous for HR -- any company that managed recruiting this way would fast find itself out of business. Sadly, though, the majority of businesses use this very process just described to direct their most critical business function -- the management of sales leads. The results are predictably disastrous.

The Yankee Group estimates that up to 80 percent of sales leads either go stale, are lost, or are simply never followed up on.

The problems associated with lead management might not be as extreme if so much effort hadn't been poured into lead generation over the years. The advent of web marketing eased the process of lead generation, creating a glut of leads of ranging degrees and quality: from excellent leads gathered through well-constructed campaigns on precision-targeted sites to mediocre leads gathered from sweepstakes or portal sites, for example.

Many companies actually lack any formal process to prioritize, further qualify and cultivate those leads. Those that have processes typically find them ineffective and slow. At best, their processes delay sales; at worst, they result in lost sales and create a rift between sales and marketing. In fact, in a survey taken by the CMO Council/BMP forum, only seven percent of sales and marketing managers responded saying that they work effectively together to harvest their business prospects.

Let's use a web marketing campaign with a white paper to illustrate the problem of lead management step-by-step.

**1) Input.** Using a standard form, the marketer gathers leads from a landing page where respondents fill in basic information, which may range anywhere from contact information, size of corporation, time frame for purchase, et cetera. Often these landing-page forms aren't specific enough, resulting in inadequate information for qualification. The sales force needs further qualification to determine each lead's worthiness as a prospect.

**2) Disconnect.** There is typically disconnect between the marketing and sales departments within an organization -- the marketers often determine the nature of the qualifying questions without consulting with their sales force beforehand. Therefore, once the leads are received, they don't always live up to the sales force's expectations of what a quality lead should be.

**3) Telemarketing.** Step three for many organizations is giving their leads over to a telemarketing company to further narrow down the leads that are field-ready. Telemarketing is expensive and it delays the sales person's ability to follow up. In addition, telemarketers are often outsourced and lack the depth of understanding of the prospects their clients are looking for.

**4) Technological barriers.** Getting leads from the registration form to sales force automation programs is a job in itself. When the fields in the automated sales programs don't match up with your landing page form, the time involved in data entry increases.

**5) Prioritization.** Once the leads are gathered, organized and narrowed-down, the next task is prioritizing what contacts deserve immediate follow up, and which ones can be put on hold. Often, by the time organizations get to this step, it's too late to follow up on the leads that require immediate response, and many other leads are abandoned.

**6) Remarketing.** Once the leads are prioritized, the ones that are field-ready need immediate action, and sales forces must apply appropriate follow-up action to further nurture and develop leads that aren't field-ready. Even companies that do steps one through five will often struggle with this step. Remarketing requires a long-term point of view and consistent follow-up. But it's often the step that has the greatest payoff.

Over the course of this series of articles, I'm going to be taking a look at the issues associated with lead management, and -- drawing on my experience of almost 30 years -- starting to look at some possible solutions.

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