

## The 3 Pitfalls of B2B Lead Generation Efforts

Since the beginning of sales, “leads” have been the Holy Grail for salespeople. More Leads. Better Leads. [The Glengarry Leads](#).

Despite this focus on leads, my experience studying tens of thousands of small and mid-market (SME) B2B firms has taught me that the vast majority of lead generation efforts fail. Regardless of activity levels, money spent or the effort put forth on 90%+ of LeadGen efforts fail to produce real growth.

There are 3 reasons that account for about 80% of that failure. Understanding, and avoiding, these pitfalls is critical to leveraging your sales efforts and creating sustainable, superior profit growth in the future.

### ***The 3 Pitfalls of B2B Lead Generation Efforts***

If I’ve learned one thing about growing business, it’s that every action a business takes is impacted by, and impacts, everything else. All three of these pitfalls are a caused by a business failing to implement a comprehensive, holistic [business development/sales process](#).

The purpose of [lead generation](#) is to create a compelling reason for your customers and prospects *to want to pay attention to you*. Effective lead generation creates a positive environment for sales, but it is not focused on making sales. This purpose is often misunderstood, and leads to the three pitfalls I’d like to discuss:

- Confusing Sales Efforts With Marketing Efforts
- No Net to Catch & Cultivate
- Sales Team Not Ready to Go-To-The Market

### *Confusing Sales Efforts With Marketing Efforts*

Let me be clear; lead generation is a marketing function - not a sales function. This does not mean that salespeople should not actively participate in lead generation efforts; it just means they’re marketing when they do. I should

also point out that whatever tactic is used to support your LeadGen efforts, the focus needs to be on marketing - not selling!

Marketing is all about creating a positive environment for sales. It's about engaging. It requires [value creation] up-front. The focus needs to be on [helping not selling](#). Successful lead generation efforts need to be geared to provoking awareness of the problems you solve, and supporting your prospect's ability to understand the impact those problems have on their business.

Sales-focused LeadGen efforts work when you're making simple, transactional sales. It can be an excellent approach if you're a B2C company, or if you sell inexpensive services to very small businesses. As a B2B company, these efforts commoditize you and diminish your importance.

### *No Net To Catch & Cultivate*

At any given time, only 3% of any given market is actively looking for a solution, and only 7% are even considering whether they should pursue a solution. Ninety percent of your market isn't thinking about your solution.

Not only that, but the 10% that is looking is most likely either the most price sensitive or already within the orbit of a competitor. It's no wonder SME's spend so much money on LeadGen efforts with so few results.

A major reason for the failure of B2B LeadGen efforts is because the only successful path a prospect can take is to engage with a salesperson. Today, more than ever, buyers get to buy on their terms - not yours. They've got more choices than they know what to do with and no time to deal with extras.

When you understand that lead generation is a process, not an event, you understand the importance of a net. What's a net? It's a process that allows you to build and cultivate relationships with the valuable 90%.

Traditional lead generation efforts are expensive and exhausting because they have remarkably short lifetimes. They're also very people-dependent and when times get busy, they're difficult to maintain. When you [build a marketing asset](#) that allows you to cultivate relationships *automatically*, your LeadGen efforts are leveraged and your ROI explodes.

### *Sales Team Not Ready To Go-To-The Market*

This is probably the most unfortunate reason for LeadGen failure, because the very cause of failure is the success of the effort. In 25 years working with SMEs I've learned that 80%+ of sales forces are built to respond to the needs of prospects/customers, not to be the cause of them.

As master "Door Opener" Caryn Kopp says, "Businesses often don't understand that the skills needed to properly get in the door of a qualified executive are quite different from the skills needed to close the business."

I've lost count of the number of companies who have great closing rates, only to see those rates plummet when they engage in a successful (yes, I said successful) LeadGen effort.

The reason?

When the sales team was responding to needs, the prospect was highly predisposed to buy. When you *go to the market* with proactive lead generation efforts, the customer is not so predisposed. They may not fully understand their issues; they may have competing priorities, or any of a number of other possibilities.

Your sales team needs to be trained and prepared to [diagnose your customer's situation](#) and, further, to manage the decision process in a proactive manner. Today, when you're going to the market, [good is no longer good enough](#); you must dig deeper.

*The Good News*

There's tremendous news for B2B sellers today. Your prospects and customers have BIG problems **and** opportunities. They're desperate to find valuable help, and (believe it or not) they're willing to reward you if you can help. Your problem is first getting noticed, and then getting valued. By avoiding these three mistakes, you'll be well on your way to both.