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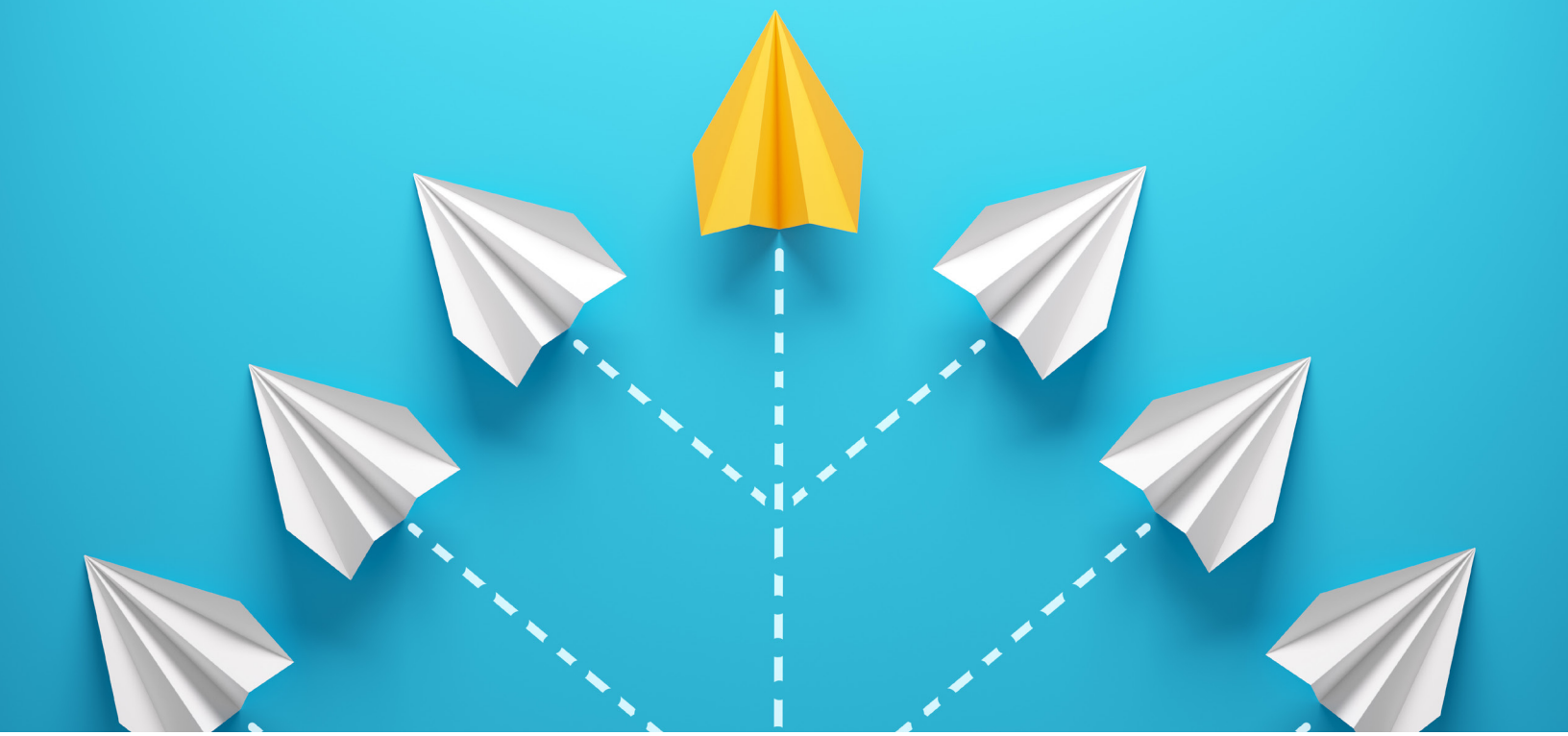
LEAD GENERATION BEST PRACTICES THAT PAY



The Mezzanine Group

B2B MARKETING EXPERTS

8 FROM LEAD GENERATOR TO REVENUE GENERATOR: LEAD GENERATION BEST PRACTICES THAT PAY

It wasn't long ago that companies were hiring sales reps for the size of their rolodexes and buying lead lists to drum up new business. In those days sales reps made the first move in a sale. The new reality is that buyers make the first move before sales even knows of a buyer's interest.

What makes selling even more complex today is the number of buyers and influencers involved. Entire buying groups across many departments need to be steered toward wanting your product, so engaging one person per company from a bought list is no longer effective. Neither is the fast sale. Selling today is a long and complex game that relies on inbound marketing to pull buyers and influencers to you. It's the opposite of the sales push that was once so effective. Technology has changed the landscape of sales, and it requires much more finesse and a lighter, defter hand.

Long before buyers are ready to speak to a rep, they turn to online resources to self-educate and investigate potential solutions to their challenges. That's why lead generation is more important than ever.

WHY GENERATING (NOT BUYING) LEADS IS ESSENTIAL

Buying leads may seem like an expedient way to fill a company's sales funnel – especially if you're trying to grow your business or expand into new markets. Yet buying leads as opposed to generating them will likely only get you lists of people who don't know your company or what it does. They likely opted in or signed up for something on another company's website, so any follow up you do is unsolicited and probably unwanted. If you're approaching a bought list via email, your messages could be marked as spam and get your company blacklisted. In countries like Canada there are strict regulations against such spam.

The best lead list for your company isn't for sale. It needs to be built up over time with your ideal buyer in mind.

MORE IS NOT NECESSARILY BETTER

Business owners and their reps are always looking for marketing to produce more leads. In our own annual B2B Benchmark Study, the vast majority (87%) of executives placed lead generation at the very top of their to-do list this year.[1] There are many good reasons for this, including the fact that the average company loses 10-25% of their customers annually.[2] Yet when it comes to leads, more is not necessarily better. Sales reps need high-quality leads that have good odds of generating revenue, otherwise their time is being wasted. When only 7% of sales reps think that the leads marketing hands them are of very high quality,[3] it's time to revisit lead generation best practices.

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8
B2B
Lead Generation
Best Practices That
Drive Revenue

1

REGULARLY MANAGE AND CULL LEADS

The best lead lists are created over time and revisited regularly. They need to be regularly analyzed, managed and culled, because they grow from many different channels and sources, including:

- Inbound inquiries via phone, email, the website and social media
- Form fills for content downloads and subscribing to content
- Marketing campaign leads from direct mail, email campaigns and telephone prospecting
- Leads the sales team collects in their day-to-day workings
- Event-generated leads from tradeshows, webinars and networking events

Together, your sales and marketing teams can decide how to segment your list based on how you approach selling, whether by product/service, industry type, industry size, geography or a combination of factors. Once you have found the best way to segment your list, ensure that each and every name fits your ideal customer profile, and be ruthless. It's important to treat your database as the valuable asset that it is. Keep it current and you will get better ROI from it.

2

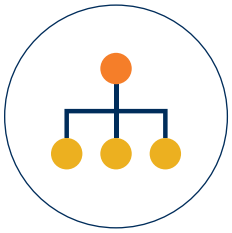
FOCUS ON THE RIGHT LEADS

The most successful sales teams have clear goals and know which type of customer will help them achieve those goals. Ensure that your sales leads are comprised of those customers. To do this, your company needs to have a clear definition of its ideal customer profile(s) in every industry you serve. Such profiles are also known as buyer personas. They consist of fictionalized, generalized representations of your ideal customers, from their roles, age ranges and budgets to their buying processes and more. For example, an industrial ducting company may designate 'SVP Engineering/Construction' as one of their personas to target. They may give them characteristics as follows:

SENIOR VP ENGINEERING/CONSTRUCTION

- Male
- Age 45+
- Seeks information from the web, their team and vendors
- Primary decision maker
- Has budget
- Motivated by ROI

Such personas prevent companies from wasting time pursuing the wrong type of customer. They help marketing focus in on the right decision makers and influencers, with lead generation activities that will appeal to them in their preferred channels. They also create a common language for sales and marketing to use when discussing prospects.



3

GET SALES AND MARKETING TO DEFINE A LEAD

Just because a lead isn't ready for a conversation with a sales rep, that doesn't make it a bad lead. In fact, some of the best customers come from non-sales-ready leads that need to be nurtured by marketing first. Such a lead is a Marketing Qualified Lead (MQL), and the goal is to turn it into a sales-ready or Sales Qualified Lead (SQL). The key to successful lead handling/nurturing is for sales and marketing to agree on what constitutes an MQL and an SQL. The following definitions can help you set your own parameters:

UNQUALIFIED LEAD

An infrequent visitor to your website or someone who downloads one of your whitepapers for the first time is an unqualified lead. They are a cold prospect and not yet ready to be contacted by sales. However, they have revealed a little about their interests and needs based on their actions. At this point, your marketing team can begin to make decisions about whether to provide follow-up information and advance them to the MQL stage.

MQL

If an unqualified lead accesses your follow-up information, and if you know they match one of your ideal buyer profiles/personas, then they are an MQL. An MQL is a lead that is not yet ready to purchase, so they need nurturing. They've indicated an interest in a product or service like yours, but they are not yet ready for a sales call. Your marketing team can begin guiding them further down the funnel with relevant follow-up emails and offers of more information, free trials, consultations, demos, quotes and more.

SQL

If the MQL agrees to any of your above offers, they are now an SQL and ready to speak to a sales rep. They are still not yet ready to purchase, but they have specific questions about how your product or service can fulfill their needs. They have the budget, buying authority and need, and they have taken action, such as booking a consultation or a demo. At this stage it's up to sales to take the SQL from opportunity to customer.

Over time, sales lost faith in marketing to supply good leads, and marketing assumed sales wasn't working the leads hard enough.

All of the above leads are important, and even unqualified leads are valuable. They are just often misunderstood because marketing departments have a history of handing sales every unqualified lead that comes in. Historically, it has been up to sales to sift through and qualify leads, and they often gave up and missed good opportunities in the pile. Over time, sales lost faith in marketing to supply good leads, and marketing assumed sales wasn't working the leads hard enough. However, when sales and marketing can agree on lead definitions and assume their respective roles in ushering each qualified lead through the funnel, then together they can turn those leads into new business.

4

GROW YOUR LEAD LIST WITH INBOUND MARKETING

Inbound marketing is customer centric. It focuses on the needs of the customer, by providing specific, relevant and useful content presented in their vehicle(s) of choice. For example, a company's decision maker may prefer reading the white-papers and articles you've posted on LinkedIn, while other buying team members may go to your website to read blogs and case studies. No matter how your product or service is being researched, the best inbound marketing starts with buyer personas, and it feeds and encourages them at every stage of their buying journey with the information they need, in the format they prefer.

INBOUND MARKETING TACTICS INCLUDE:

- Blogs
- Infographics
- Social media
- Videos
- Case studies
- Trade articles
- Whitepapers
- eBooks
- Email marketing

Inbound marketing builds high-quality lead lists, because it is pulling the customer toward your product with information they want and need. Inbound marketing tactics can be distributed through your website, social media platforms, newsletters and emails. It is largely content marketing. Our 2019 B2B Benchmark Study showed content marketing was considered the second most effective tactic at 58%, after websites at 87%.[1] What's most encouraging is that buyers who are actively engaging with your content and your website have a greater chance of conversion.

5

IT'S A LONG GAME – NURTURING RELATIONSHIPS, NOT JUST GENERATING LEADS

Companies are often in such a hurry to get new lists that they forget to build on existing relationships and further develop conversations already begun. Lead nurturing is how marketing can keep the conversation going. When a prospective buyer engages with your content, it serves to establish and deepen their relationship with your company. Almost every single B2B buyer (96%)[4] is asking for more content from thought leaders in their industry. Sharing thought leadership content, from eBooks to articles to infographics, is one of the most effective ways to get on the radar of new customers and to stay top of mind with your existing ones.

Lead nurturing helps marketing reach leads more effectively based on their search requests and the criteria that are most likely to influence their buying decision. This is highly personalized marketing, and it requires marketing automation (MA) software like Hubspot or Marketo. These marketing technologies help anticipate the needs of each lead, to usher them further along the buying journey. MA software also helps the marketing team optimize every campaign by providing valuable metrics such as conversion rates.

6

USE OUTBOUND MARKETING TO CAST A WIDER NET AND GROW BRAND AWARENESS

While inbound marketing can be time intensive, it is relatively inexpensive. Outbound marketing, on the other hand, such as display ads, pay-per-click ads and tradeshows require a larger commitment of funds. With outbound marketing, you're actively reaching out to potential customers through paid channels. The beauty of outbound marketing is that it helps grow your brand's awareness in the marketplace, by reaching a huge number of prospects at once. And growing brand awareness has the additional bonus of supporting your inbound marketing or 'pull' efforts.

Outbound marketing can be exciting and have a wow factor, such as pulling out all the stops at a tradeshow or taking out an extravagant two-page spread in your top trade magazine. However if your budget is limited, email marketing is an inexpensive form of outbound marketing. By presenting news, promoting events, product launches and so on, emails can help grow awareness of your brand and develop its credibility – and both are essential. A brand that is already known and credible is certainly going to benefit more from lead generation campaigns.

7

CLOSE THE LOOP WITH SALES FEEDBACK ON LEADS

In order to get better at lead generation, nurturing and closing, companies need to close the loop with feedback between sales and marketing. This includes discussing how and why each lead led to a close or a rejection.

As a result of closing the loop the company saw their revenues from sales leads double every quarter for six consecutive quarters.[5] They also saw an impressive 500% increase in conversions.[5]

When Nortel Networks was having trouble managing leads and ensuring their lead generation programs produced optimal results, they knew they needed to make sales reps accountable for providing feedback on leads. The result was better information on the quality of the leads marketing was generating and they also gained deeper insights into what was working and what wasn't in their lead generation campaigns.[5] Mark Pierret, Nortel Networks' senior channel marketing manager noted that closing the loop helped Nortel "to resolve the age-old issue of the perception that marketing is throwing leads over the walls and that sales never provides feedback."[5] As a result of closing the loop the company saw their revenues from sales leads double every quarter for six consecutive quarters.[5] They also saw an impressive 500% increase in conversions.[5]

8

CONNECT THE DOTS TO MEASURE AND INFLUENCE CONVERSION RATES

In addition to anecdotal lead analysis by sales and marketing, it's also necessary to analyze the data. To get a complete picture of the ROI from each lead generation campaign and to attribute ROI to each lead, it's necessary to connect sales and marketing data for a full funnel analysis. The most successful companies, especially those with the benefit of marketing automation, track how leads engage with their company along the buying journey to positively influence the purchase decision. When the average B2B conversion rate of a lead to opportunity is 13%, and the average time it takes is 84 days, companies need to use their data to work each viable lead.[6]

SUMMARY

Companies that are successful at lead generation have evolved from the fast-gain, buy-a-list mindset. They're using marketing tactics to build relevant lead lists based on their ideal customer profiles/personas, and then nurturing and educating those leads to draw them through the funnel. Effective lead generation ensures that sales reps are freed up to spend their time where it's most needed – interacting directly with highly qualified prospects who are in need of the products and services you offer.

Some companies get so focused on acquiring leads that they forget that it is a means to an end, not an end itself. By following these 8 lead generation best practices, you can take your company from lead generator to revenue generator.

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ABOUT US

The Mezzanine Group accelerates revenue growth for business-to-business companies. We build B2B lead generation machines that combine traditional and digital marketing to deliver powerful and consistent revenues. Over the past decade we've helped over 250 B2B companies across a variety of emerging and mature industries.

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