

Lead Generation Process Guide

According to a Harvard Business School study, 80% of leads don't receive follow up from your sales team. This ugly statistic means that what you define as leads are wasted and worst of all, you're losing business. It's time to rethink your definition of a lead and who acts on that lead.

There is a difference between a lead and an inquiry and ignoring this difference is the source of constant tension between marketing and sales. Marketing gripes that the sales team never follows up and the sales team complains that the leads are well, bogus. Why, because the definitions are all wrong. Here's how to end the struggle and close more business.








First, start with the right definitions:

Inquiry: Someone who has expressed interest in your product or service

Lead: An inquiry that has been contacted, profiled and qualified according to defined criteria based on your company's target customer.

Second, create a process for shepherding the inquiry through the process of becoming a qualified prospect. We suggest the process below:

Inquiry → **Qualified Lead** → **Qualified Prospect** → **Close**

Generate inquiry 	Via marketing, advertising, trade shows, web, networking etc
Capture Inquiry 	Basic information is captured and entered into a CRM system
1st level Qualification 	The inquiry is contacted, scored and qualified based on a defined set of criteria specific to your company. <i>This is when the inquiry becomes a lead.</i>
Assignment 	The lead is prioritized based on the score and then assigned based on these action categories: sell – nurture – discard.
2nd level Qualification 	Sales directly contacts the initially qualified lead and conducts needs and readiness to purchase assessment. This is an in-depth qualification – lead could change categories after this conversation.
Close the Sale 	The “selling process” begins as the lead becomes a qualified prospect.
Analysis 	Entire process is assessed, metrics established such as cost per inquiry, cost per qualified lead, per sale etc

The Definition Of A Lead Is The Key To Closing The Sale, Or, When Is A Lead, A Lead?

Based on this process, there are four questions you must answer:

1. Who conducts the first level qualification?
2. What criteria should be used to score and qualify the inquiry?
3. What process do you have to nurture the “not ready to purchase” inquiries or leads? Remember there is a difference between an inquiry and a lead. An inquiry only becomes a lead if it meets specific criteria but after the 2nd level of qualification a lead may still not be ready to purchase and thus needs to be nurtured.
4. What process do you have to capture and use the results statistics? This is a critical component. Understanding what is going on with your inquiry generation and lead management is critical to making changes or adjustments to the process, it is not driving revenue.

First Level Qualification

Who conducts the first level qualification is a very important decision. While the qualification activity obviously is critically important, it is equally important to note that the real act of selling is not and probably should not take place at this point. Therefore, should your most skilled and expensive sales talent perform the qualification? No. We believe that less costly, not necessarily less talented; personnel should qualify the inquiry and once qualified the *lead* then goes to the sales team.

Scoring and Categorizing the Inquiry

A score based on specific criteria should be established and used as a way to categorize inquiries. Your sales and marketing teams should jointly develop the criteria based on your ideal prospect. (See our April 2010 newsletter for more on how to score and for a free score card)

Once you have scored the inquiry, they should be assigned to one of three categories; sell, nurture, or discard. Your professional sales team assumes the responsibility for the “sell” category. Marketing assumes the responsibility for the “nurturing” process.

Nurturing and Success Metrics

While these functions are the responsibility of marketing, sales should actively promote and support these activities both of which will drive future leads and future revenue.