

Lead Generation:

2.1 | Critical Success Factors



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| Introduction

Marketers today are constantly reminded that the company needs more sales leads...now. Unfortunately, that immediacy quite often is at the direct expense of quality. A flood of ordinary, everyday leads does not mean that successful sales will follow. The challenge, therefore, is to tailor and adopt lead generation programs that will increase the odds of creating better sales leads, ultimately resulting in long-term, happy and profitable customers.

The complex sale is not about mass marketing. Rather, the complex sale focuses on the specific needs and wants of the target audience. It is valuable to businesses that are engaged in long-term sales processes that require prolonged education and nurturing of the prospect. These companies generally provide solutions to their clients, who tend to be more sophisticated, are targeted to solving specific critical business issues and are managed deliberately and with precision. The complex sale most often manifests itself in the environment of business-to-business marketing.

*In our three **Lead Generation** White Papers we outline a series of critical success factors that will best serve your needs in today's world. We begin by understanding our objectives, then linking sales and marketing, and finally determining and defining our ideal customer.*

The complex sale is not about mass marketing.

| Critical Success Factors for Lead Generation

- ▶ 1. Conversation, Not Campaign
- ▶ 2. Sales and Marketing as a Team
- ▶ 3. An Ideal Customer Profile

1. Conversation, Not Campaign

Lead generation isn't about instant gratification, but rather requires sustained effort to succeed, often over a relatively long period of time.

Key words are **consistency** and **time**.

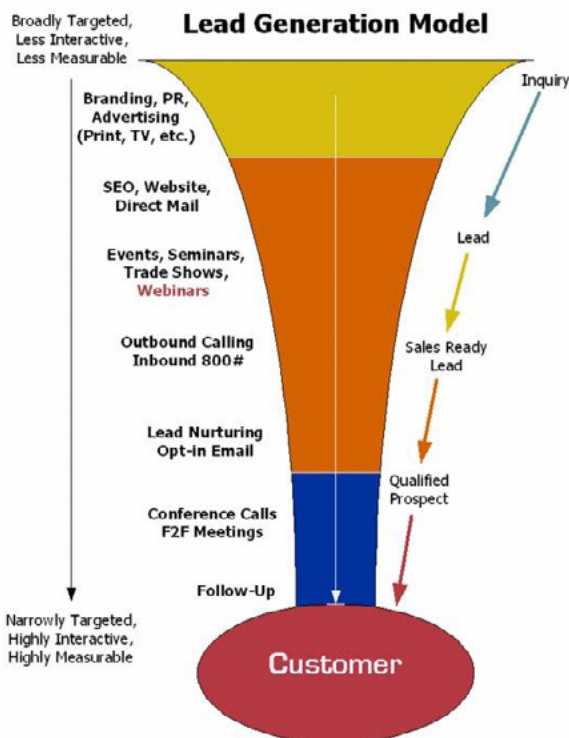
Companies don't buy; people do. The goal of well-developed lead generation plans, therefore, is to evolve relationships between people through dialogue that positions the lead generation effort as conversation to identify, initiate and nurture productive selling situations. Research shows that buyers in an executive position clearly choose the sales person who has not only been a resource but who has also developed an ongoing relationship with them, regardless of their timing to buy.

Customers regularly illustrate the need for sales people who call on them to **understand both their business and their needs while being sensitive to the pressures under which they operate**. Sales people who meet these criteria become known as trusted advisors, and **trusted advisors get the sale**.

Relationship building includes sustaining the relevancy of ongoing dialog. When customers have a problem, you want them to turn to you first, someone they trust, for a solution.

The objective is to wedge that level of trust into the affiliation as a relationship builder while always keeping in mind that the customer is thinking, "How you sell me is how you will serve me."

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Buying Process Tactics Funnel

Mapping out your sales process can ensure conformity with the customer's buying process, driven by a clear understanding of needs and the impact of those needs on both that company and its customers. Inevitably, every potential customer has a different buying process.

Does everyone involved in the lead generation program understand your prospect's buying process? This can be viewed from the perspective of the modalities it employs at each buying step. I use the model illustrated here to develop the correlation in specific instances between steps in the buying process and the sales effort together with tactics that might work at each stage. The key business issues for each individual in the buying process must be understood and addressed. **Consistency is critical.**

Each touch, or contact, should add value through its ongoing relevance to the targeted individual, and consistency extends to the style of delivery of the message. Because the sales team is responsible for much of the customer's perception of the company, concerted care must go into developing the ongoing, relevant communication the sales team will employ in its relationship-building efforts with customers.

All companies go through steps in their buying process, of one kind or another. We can't force them to skip steps, but we can help with lead nurturing by instilling regular and meaningful communication that aids their progress and their process.

| 2. Sales and Marketing as a Team

The best mindset, strategy and tactics — and the most astute sales and marketing individuals — are for naught without the collaboration of everyone involved. The unrealized potential can be likened to the batteries in a flashlight. If the batteries aren't inserted in the right direction or are otherwise out of proper contact, their latent power is unusable.

Likewise, the harmonious interaction of sales and marketing is crucial. If they are askew and going in dissimilar directions, sales and marketing will not empower a successful complex sale or sales lead strategy. Bottom-line sales performance reflects just how well sales and marketing are working together.

Lead generation, consistently the most significant touchpoint between sales and marketing, **offers a variety of opportunities for improving teamwork**. However, the workflow of both departments is linear and seems determined to go only in one direction. Without bidirectional communication, effective lead generation suffers for lack of a closed-loop feedback process and consequent poor results. With a feedback process in place, each department has a better sense of what the other needs in order to accomplish their mutual goals. Melding inherently diverse viewpoints and inputs in today's commoditized business environment is important to a well-oiled marketing and sales machine that produces good sales leads and positive results.

The solution for building bi-directional communication between the two, resulting in lead generations programs that flourish and generate acceptable ROI, starts with the proper direction and management from the senior executive level. **Like the complex sale, lead generation, with all its facets and interactions, can usually be sparked only by the CEO who believes in it.**

It is incumbent on marketers to view the sales team as its prospective customer, both from the standpoint of problems and opportunities. The sales team thus becomes so integrated that it has program ownership just like everyone else. Taking that further, if sales is the other customer to marketing, why not, in the interest of developing answers, position marketing as the customer of sales?

Companies seeking cooperation and teamwork sometimes believe they can perform miracles by reorganizing the sales and marketing departments. Interdepartmental reorganization appears to offer little value to lead generation programs. **What matters most is having everyone on the same page, integrated and respecting one another as pro forma customers.**

Focus on prospective companies with the most likelihood of becoming profitable customers.

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3. An ideal Customer Profile

The ideal customer profile uses the unique attributes of prime customers to help prescreen potential opportunities. **The ideal customer profile helps identify decision makers and key influencers and ultimately serves as the basis for defining a sales-ready lead.**

The goal of the ideal customer profile is to focus on prospective companies with the greatest likelihood of becoming profitable customers. The ideal customer profile is a basic framework with which to pursue a potential customer — and to determine when to pass, should it become clear that the opportunity wasn't as good as first inferred.

Of major importance is **collaboratively defining what a sales-ready lead actually is**. An initial step is to create a profile of the ideal customer. The ideal customer profile will be the main focus of how you spend your energy, time and budget in surveying the most productive opportunities.

Learn the size and scope of the market and where the sweet spot is. Then, target what are considered to be your best potential companies and contacts. Compare these to the best and the worst of your current customers.

What do they have in common? Rank the current customers by most profitable, best revenue, easiest to do business with. Evaluate the characteristics of each and identify the key attributes shared by your best and worst customers. Then add current revenue and profitability data and anything else that might be appropriate and assess the relative strength of your list of possibilities.

Those at or near the top should be accurate reflections of your ideal customer profile. Take the top and bottom customers and prospects and build a more detailed profile. Populate the profile with such things as:

- ▶ Annual revenue
- ▶ Standard Industrial Code (SIC) and North American Industry Classification (NAICS)
- ▶ Number of employees
- ▶ Level of contact and functional area
- ▶ Local, regional or national scope
- ▶ Business situation
- ▶ Psychographics aspects

Psychographics aspects may be corporate values, culture, philosophy, leadership and internal/external factors that have an overt affect on the company.

Learn the size and scope of the market and where the sweet spot is.

Determine the most important attributes to replicate. It should be readily apparent that there is a marked difference between those on the best customer list and those on the worst. Does a best customer show the inclination to be well managed with long-term growth, while a worst customer exhibits continual reorganization and declining revenues? There will be other attributes specific to an industry. From these factors, you'll be able to determine your ideal customer profile.

| Summary

All marketing efforts require the appropriate upfront buy-in and processes in order to be successful. It begins with marketing and sales working as a team — from understanding each other's role to agreeing on common language and processes. Then and only then, should a conversation happen with a potential customer or prospect. Taking the time to do the foundational work right will save you significant challenges in the future.

*Please check out our next two **Lead Generation** white papers (2.2 and 2.3) where we discuss how to manage leads through a foundational database, as well tactics to create and nurture leads.*

| About StratMarketing Group (StratMG)

With 95%+ in customer satisfaction ratings and 100s of projects, our proven methodology has successfully generated more than \$100M+ in sales for our industrial manufacturing customers. We help build deep and meaningful relationships with their prospects and customers which in turn is a catalyst to organic sales growth.

We consistently exceed objectives by leveraging complex technologies and analytic methodologies to deliver simplified sales, faster. Our methodology breaks the process into three main categories:

- ▶ Make Customers
- ▶ Manage Customers
- ▶ Monetize Customers

| Specialties

Demand Generation | Marketing Automation | Go-to-Market Strategy | Marketing Operations
Marketing Services | Marketing Strategy | Lead Management | Lead Nurture
Database Marketing | Sales-Marketing Alignment | Lead Qualification

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