

"Leads are the lifeblood of selling. This book is the lifeblood of lead generation."

—Jeffrey J. Fox, bestselling author of *Secrets of Great Rainmakers*

Lead Generation for the **COMPLEX SALE**

**Boost the Quality and Quantity
of Leads to Increase Your ROI**

BRIAN J. CARROLL

Founder of InTouch Incorporated—recognized as one of
America's Fastest Growing Companies by *Inc.* magazine

More Praise for *Lead Generation for the Complex Sale*

“Brian Carroll ‘gets’ that marketing and sales must have a common definition of a lead and a ‘sales ready’ lead is a targeted decision maker who is curious how you have helped someone with the same job title in the same industry achieve a goal or solve a problem.”

—Mike Bosworth, author *Solution Selling* and coauthor *CustomerCentric Selling*

“The lead generation game has changed in the age of the Internet; if you don't have this new playbook your competitors will. Brian Carroll closes the loop on lead generation, taking you from defining a lead, thinking like your prospects, tactics to increase lead generation, passing leads from marketing to sales, measuring the results, and nurturing the leads for increased revenue. If you don't read and then apply lessons from *Lead Generation for the Complex Sale*, then let me know how things work out for you.”

—Bryan Eisenberg, *New York Times* and *Wall Street Journal* bestselling author of *Call To Action*

“Great book on a very important topic. The author speaks from a true knowledge-base and offers a ‘Soup-to-Nuts’ instruction of principles, strategies, and tactics from which the reader can greatly profit.”

—Bob Burg, author of *Endless Referrals: Network Your Everyday Contacts into Sales*

“Great book! I heartily recommend *Lead Generation for the Complex Sale* because it's packed with practical, hands-on advice. In particular, Chapter 3 ‘Defining Your Best Lead’ should be required reading for CSOs and CMOs alike *before* you invest in any more demand generation campaigns!”

—Anne Holland, Publisher, MarketingSherpa Inc.

“Brian Carroll has unveiled some of the most guarded secrets of lead generation experts. His approach to generating leads for the complex sale is not only on-target but will produce results as well.”

—John M. Coe, President, Sales & Marketing Institute

“It’s never been tougher to crack into corporate accounts. To help your sales force, create a lead generation program based on the multiple strategies in this information-rich book. In today’s crazy market, it’s the best way to slash your sales cycle.”

—Jill Konrath, Chief Sales Officer, author of *Selling to Big Companies*

“Brian Carroll has written a no-nonsense, practical guide to sales lead generation that will help anybody who is looking for advice based on real-world experience. He makes the case for a strong working relationship between the sales and marketing functions.”

—Ruth P. Stevens, President, eMarketing Strategy, and author of *Trade Show and Event Marketing*

“Brian Carroll gives us insightful lessons in the complete sales lead management process, including the critical organizational issues that will determine success or failure. Read it, and start putting Brian’s advice to work immediately.”

—Bob Donath, Bob Donath & Co., marketing author and consultant

“Does your company have an uncrossable abyss between your sales and marketing functions? If so, then this book will help you bridge that gap and fill the void. If you follow a few of its simple concepts you will be able to drive significantly enhanced sales and marketing effectiveness.”

—Guy R. Powell, DemandROMI—Prove and Improve your Marketing Performance, author, *Return on Marketing Investment*

“Brian’s book is an absolute must read for any B-to-B marketers.”

—Russell Kern, President, The Kern Organization

“Brian tackles a tough subject and gives it the depth it deserves. Anyone selling a complex product or service will avoid the common mistakes and close more sales if they follow the advice in this book.”

—Kristin Zhivago, author of *Rivers of Revenue*

“Finally, a book that addresses the realities of today’s selling environment. Brian Carroll has broken new ground in this comprehensive, utterly practical, and thoughtful guide to sales lead generation.”

—Michael W. McLaughlin, coauthor of *Guerrilla Marketing for Consultants*

“Trade shows are hard work for an individual and expensive for a firm. Most shows are geared to complex sales—i.e., you are selling on the floor—so this book is a definitive resource in how to develop the structure of a lead, the rationale for a lead, and the importance of follow-up. If marketing and sales do not understand these three components, you are doomed at a trade show. Working together will improve the quality of both marketing and sales—and make everybody happier.”

—Julia O’Connor, President of TradeShowTraining.com

“The quality and quantity of leads does as much to determine sales success as face-to-face selling prowess, yet little has been written about lead generation. This book fills the void. Carroll really understands lead generation.”

—Ford Harding, author of *Creating Rainmakers*, Harding & Company

“A logical and straightforward methodology to maximize your likelihood of success. A good primer for the uninitiated and a great refresher for the experienced.”

—Bill Herr, Managing Director, sales lead development programs,
CMP Media, LLC

“This book should be a must read for all people involved in the sales and marketing process. Definitely one for your business book collection.”

—Bob Freytag, President, Introworks Branding and Marketing
Communications

“Brian masterfully tackles the single biggest issue for enterprise marketing today.”

—John Neeson, Managing Director & Cofounder, SiriusDecisions Inc.

“This book is essential reading for anyone in marketing today. It will make a difference in your company’s lead generation results!”

—Dan Kosch & Mark Shonka, copresidents of IMPAX Corporation
and coauthors of the best-selling book *Beyond Selling Value*

“If *Lead Generation for the Complex Sale* helps your business grow half as fast as Brian Carroll’s has, it may be the best marketing and sales investment you make all year.”

—Keith Ferrazzi, CEO of sales consulting and training firm Ferrazzi
Greenlight and former CMO of Starwood Hotels and Deloitte
Consulting

“Exhaustive coverage and discussion of the lead generation modalities and the synergies therein, ranging from the classical modes such as telemarketing and direct mail through such new generation modes as blogs and podcasts, is insightful. A very compelling read indeed.”

—Sharmila C. Chatterjee, Visiting Professor, MIT

“The time has come for sales and marketing teams to finally unite to create and solidify customer relationships. This book provides sound execution strategies for collaboration that leads to results.”

—Barbara Geraghty, President, Visionary Selling

“*Lead Generation for the Complex Sale* is an important and intelligent addition to the small but growing body of literature on business-to-business sales lead generation.”

—Bob Bly, author, *The Copywriter's Handbook*

“Chapter six alone is worth the price of the book. If you're puzzled about the nuts and bolts of building a lead-gen plan that actually works, you're in luck. It's right here.”

—Chris Coleman, speaker, author and cofounder, greenbananaproject.com



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of Leads to Increase Your ROI**

Brian J. Carroll

McGraw-Hill

New York Chicago San Francisco Lisbon London
Madrid Mexico City Milan New Delhi San Juan
Seoul Singapore Sydney Toronto

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***Lead
Generation***

for the

**COMPLEX
SALE**

Part One

Fundamentals of Lead Generation for the Complex Sale

Chapter Three:

Defining Your Best Lead

“The job of marketing is to develop a lead generation system that matches the readiness of the buyer with the expectations of your sales person.”

—John Coe,

*The Fundamentals of Business-to-Business Sales & Marketing*¹

Arbitrarily forcing a lead generation program on the sales team without its buy-in is sure to court disaster. As discussed in the previous chapter, the strategic ingredient of the complex sale is teamwork, where sales and marketing work together towards the common goal from the outset. And with a common voice in communicating not only to potential customers but from one to the other. This teamwork allows marketing to generate the right leads and sales to engage the right steps to facilitate the buying process.

A major step towards building teamwork is working together to collaboratively define what a sales-ready lead actually is. And to start building that definition, it is necessary to first create a profile of your ideal customer.

Target Your Ideal Customer Profile

To test water purity, testing equipment must be calibrated to a standard, without which there could be no accurate test results. Similarly, the ideal customer profile will be the main focus of how you spend your energy, time, and budget to determine the most productive opportunities.

The goal of the ideal customer profile is to focus on companies with the greatest likelihood of becoming profitable customers. A brainstorming session with a cross-functional team is an effective method for fleshing out all possibilities.

¹ John Coe, *The Fundamentals of Business-to-Business Sales & Marketing*, (McGraw-Hill: August, 2003).

Target what are considered to be the best potential companies and contacts. Then make lists of the best and the worst of your current customers. What do they have in common with your list of prospective customers?

- Rank your customers by most profitable, best revenue, easiest to do business with. In reverse order, rank by least profitable, worst revenue, hardest to do business with.
- Evaluate the characteristics of each company to determine why the top five companies are on each list.
- Identify the key attributes that your best customers and worst customers share. What characteristics link the best and what characteristics link the worst?
- Then add current revenue and profitability data and any other information you deem important and rank your list of possibilities.

You will likely find that those at or near the top are 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 the following information:

- Annual revenue.
- Standard Industrial Code (SIC) and North American Industry Classification (NAICS).
- Number of employees.
- Level of contact you are working with and in what functional area.
- Local, regional, or national.
- Business situation, i.e., is the company in growth or decline?
- Psychographics aspects, e.g., corporate values, culture, philosophy, leadership, and internal/external factors that may be having an overt effect on the company.

Determine the most important attributes to replicate. It should be readily apparent that there is marked difference between those on the best customer list and those on the worst. For example, 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?

You will likely have other attributes that are specific to your industry. From there you will need to narrow attributes to the best 5 to 10. This list will serve as your ideal customer profile.

Realistically, there are many times where an opportunity has other strategic appeal even though it may not fit your ideal customer profile. Then it

becomes a measure of how far an opportunity diverges from ideal. A potential but marginally nonideal opportunity can always be preempted during the sales process if necessary.

If you are launching a new company, product, or service, then you won't likely have this data readily available. Develop a profile of what you believe to be the likely fits. Are there ancillary ways of finding that data? Can you learn from your competition or indirect competitors?

Clearly Articulate Your Target Market

Before embarking on the lead generation program and developing your database, it's vital that you clearly articulate your target market. A successful approach includes taking the time to segment the target market in accordance with the unique priorities of the ideal customer profile. This will help you understand just how large the universe of available opportunities might be. I'll cover this process in more depth later.

The ideal customer profile becomes the standard that is applied against the total target universe. An example might be a practice target, as illustrated by Figure 3-1, with the outer ring representing 5,000 companies, the next ring 2,500, the next 1,000, and the center or "sweet spot," 500. The sweet spot best represents the ideal customer profile. However, make sure the remaining 4,500 companies are still a part of your lead generation program.

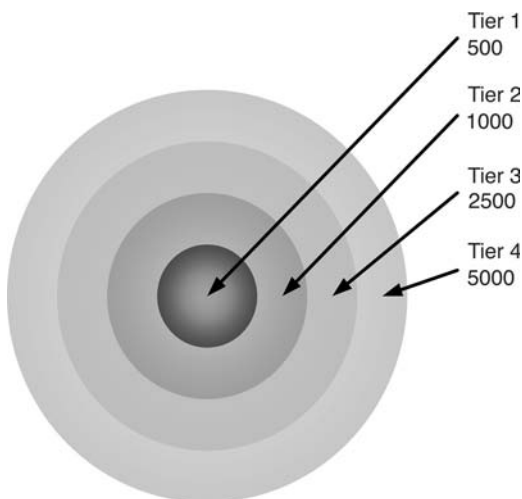


Figure 3-1 Target universe

Case Study

A client company wanted to increase its average sale, which had been about \$60,000. It was advised to focus its resources on developing a database with prospects that fit its ideal customer profile, with lead generation efforts to reach the right people at these companies. In their first year of a new program, the average sale rose by more than 30 percent to \$80,000, while overall revenue increased by 20 percent. As a result of developing the ideal customer profile, the sales team focused on fewer opportunities but of much higher quality. Contrary to initial fears, it became clear that effort required to make the larger sale paralleled that of the smaller sale. Profitability was also higher because reduced staff time required to service fewer tasks resulted in lower overhead expense.

The ideal customer profile is not an absolute; rather it helps bring focus to your broader base of prospects.

Do you know the size of your target universe?

The ideal customer profile helps you prescreen potential opportunities based on the unique attributes of your prime customers and serves as basis for the definition of a sales-ready lead. What do I mean by sales-ready lead? Let's examine that more carefully.

Inquiries Are Not Sales-Ready Leads

If you are in marketing, are you currently sending your sales team qualified leads or merely inquiries? There is a difference. An inquiry is an interested party who has requested information and needs some level of assistance. But inquiries are not leads.

Numerous lead qualification programs have shown that as little as 5 to 15 percent of all inquiries are truly sales-ready opportunities. Again, inquiries are not leads. If inquiries are sent to the sales team as "leads" without first being qualified against an agreed-upon definition, they are not sales ready and are more or less a waste of time for the sales team.

If sales leads are regularly of poor quality and don't yield results, it doesn't take the sales department long to conclude that they are all a waste of time. And without well-defined criteria of what constitutes a qualified sales lead, leads have little chance of improving or being accepted.

Quality over Quantity—It Matters

Few dispute the fact that a large quantity of leads, regardless of quality, doesn't guarantee that sales success will follow. Some consequences of quantity at the expense of quality are:

- **Sales team frustration.** Having an optimized lead generation program can become a key asset in recruiting and retaining great salespeople. However, if your sales lead generation program produces poor leads, it will negatively impact your seasoned sales reps as well as new salespeople.
- **Unfocused sales and marketing efforts.** Your salespeople spend their time pursuing leads that are not sales ready yet. It is also likely they are ignoring others that they know little about. Ultimately, this will increase your average sales cycle.
- **Inaccurate sales forecasts.** If unqualified leads invariably make their way into the sales pipeline, business going forward will suffer.

The question that must be top of mind, therefore: Is this lead sales ready? This should be posed for every potential sales opportunity, as weighed against the lead definition criteria that sales and marketing have agreed upon.

What Is a Lead, Anyway?

So, what is a lead? At its most basic definition, a lead is a potential customer that wants to learn more about what you have to sell and that has acknowledged it has a business problem that you could help solve. Couple this definition with elements from the ideal customer profile and you have the beginnings of a meaningful lead definition.

For the lead definition to be useful in its application, it must be applied to all leads *regardless of source*, i.e., teleprospecting, Web site, inbound calls, direct mail, etc. The fact that the definition is applied to all sources is critical in implementing a lead management system, which will be explored later. And most importantly, it must be agreed upon by both sales and marketing.

A “qualified sales lead,” then, by definition, is one that has been determined to fit the profile of the ideal customer and has been qualified as sales ready according to the universal lead definition. The universal lead definition is that against which every potential customer is compared and prioritized as determined by where it is in its buying process and delineated by its degree of sales readiness, regardless of source.

What Makes One Lead Better than Another?

Salespeople often struggle with inconsistency in clear criteria. As a result, some opportunities are given too much focus while others are ignored.

In order to maximize the sales team's time, it is important that marketing knows how to differentiate an inquiry from a lead. This is also crucial to efficient use of the marketing budget; experience shows that leads qualified by the standard of a universal lead definition are pursued more diligently than leads that are not.

The universal lead definition acts as the standard for rating leads. A good universal lead definition needs to be basic and intuitive so that every sales and marketing participant is fully in tune with the definition. Even further to the point, everyone involved in the lead generation and selling process must agree and buy in to what a qualified lead really stands for.

Lead generation is a process that addresses consistency, vis-à-vis conformance with the ideal customer profile and universal lead definition. Applied consistency yields higher-qualified leads for maximum return on investment and ultimately more business.

The Hot Lead

Everyone has heard of the “hot lead” in one context or another, but have you ever wondered what that means? The hot lead reflects the degree of sales readiness, when from all indications that prospect is truly sales ready: by virtue of its conformance to the ideal customer profile and universal lead definition established for it, by the existence of a stated initiative and an obvious motivation to use your solution, by key decision makers being involved, by an identified short time-to-purchase time frame, by proactive evaluation activities and information exchange, and by a confirmed budget to facilitate a purchase.

A good lead by any description, “hot” or otherwise, benefits by application of the BANTS formula as illustrated by Figure 3-2:

- **Budget.** Does the prospect affordably mirror your ideal customer profile?
- **Authority.** Does it involve the important players in the purchasing decision process?
- **Need.** Has a clear initiative or need been acknowledged? Are they motivated?
- **Time frame.** Has it been determined when the purchase decision will take place?



Figure 3-2 Qualification criteria

- **Sales ready.** Is there comfort in the imminent prospect of meeting with a salesperson?

Caution—Hot Leads May Burn You

Leads most universally prized by salespeople, no matter the industry, are those with a decision time frame of less than three months. When it comes to the complex sale, these so-called hot leads may in fact be hard-to-win opportunities.

With a decision time frame that is quickly approaching, you may find that you are no more than column fodder—up against competitors that have been in discussions with the prospect for months and have already established themselves. You may be in an uphill battle with little time to gain a solid foothold.

For this reason, opportunities need to be identified as early in the prospect's buying process as possible. There must be a long-term lead generation and lead nurturing process in place to do that. And back to the point at hand: your definition of what a sales-ready lead is must take into consideration that sooner is not necessarily always better. A lead definition that helps identify the best possible opportunities rather than the fastest to close should be a major tenet when developing a universal lead definition.

Interestingly, research shows that top sales performers have the best opportunity-screening skills. They focus their energies where odds of winning are best, but more importantly they seem endowed with a sense of who will become ideal customers with more purchases, longer-term value, and

greater profitability. Poor sales performers, conversely, focus on opportunities that have a high likelihood to close but may not necessarily yield the best customers. This may be why top sales performers succeed despite poorly executed lead generation programs.

If your lead generation program is off target, you stand to do more damage than good. When salespeople demand “hot leads,” marketing can help them more effectively target their opportunities by jointly developing and applying the ideal customer profile and universal lead definition criteria.

Creating the Universal Lead Definition

Again, successful lead generation goes far beyond the marketing department and is a shared vision of many, underscored by the premise that all have everything to gain or to lose.

With supportive senior management enrolled, schedule a kickoff meeting where sales, marketing, IT, customer service, and other interested groups start to collaborate on the process of customer conversion.

- **Meet.** Get *all* those involved together and select a capable leader. Gather the sales and marketing teams in one room or via conference call. Add a facilitator who has street credibility and who speaks the language of both and get the air cleared. Everyone must be on board or this thing isn't going to make it.
- **Ask.** What do we consider a qualified lead? What are the characteristics of the ideal sales opportunity? What do we really need to know? What would be nice to know? Who should we be contacting? Who is involved in the buying process? What common needs are we addressing?
- **Meet again.** Is there consensus that we are on the same wavelength?
- **Expose.** Widely publish the universal lead definition in the interest of integrating it into the organization's culture and language.
- **Close the loop.** Marketing and sales should meet regularly to review and reconfirm the universal lead definition's efficacy—with such queries as: Was a particular lead an actual lead? Did it enter the sales process? Why or why not? What else should be known about it? How can we improve on what we are doing?
- **Edit and republish.** There is no reason the universal lead definition can't be improved on if required.

As you work together in your group to create your lead definition, you may find that certain persistent differences of opinion between departments

and/or individuals are standing in the way of objective conclusions. Concerted effort has to be made immediately to correct this.

Criteria for the Universal Lead Definition

When working with clients, as previously suggested, we facilitate meetings and bring marketing and sales leaders together. A universal lead definition then begins to take shape in response to such interrogatories as:

- What makes a good sales lead?
 - What initiative or need makes this a good fit?
 - What information must you have to determine if a lead is worth the follow-through?
 - What are the titles/job functions of economic buyers/influencers?
 - What does this company value? What is its culture like?
 - What are the common business issues?
- What information do you want in order to qualify a lead as being sales ready?
 - How do you currently qualify a prospect? What questions do you ask?
 - What questions do you want answered before getting a lead?
 - What questions tend to gather the most needed information?
 - What information is must-have versus nice-to-have?
- How would you differentiate between near-term, mid-range, and long-range leads?
 - Will there be a time frame to evaluate and implement a solution?
 - Will there be a formal or informal budget in place? How much?
 - Are there specific behaviors or traits you are looking for?
- What functions or “buy points” are targeted in terms of key contact information?
 - How is interest created? Where does it start and what is it driven by?
 - What fuels interest and how do you focus on it with your solution?
 - What was the compelling event that drove their interest?
 - Who are the economic buyers and influencers involved in the decision?
 - Where is your best entry point?
 - Who usually needs to be contacted during the first phase of the sales process?
 - Who is involved as the buying process evolves?
 - Who or what tends to drive the initiative?

- Who else should be contacted?
- Where does the funding come from and who has authority over it?

Your answers should be collected and consolidated in a single document and routed to all stakeholders, ensuring that everyone is satisfied with the lead definition as written and no key points were missed.

A Lead Generation Fable

You are stranded in a desert. There is no civilization visible and worse, you have no food or water. After three days of walking you are cramping up, overcome by exhaustion and dehydration. The wind drives sand against your exposed face and neck. “One more sand dune,” you say as you scale the next. Suddenly, your legs collapse and you roll down the other side.

You come to with vision blurred and try to wipe sand from your stinging eyes. As you turn your head, you notice the sun is setting, and in the distance, another mirage. You nearly give up hope. You have been days without water. Your mind is hazy; you try to focus. Nothing. As the sun drops, the shadows lengthen. Wait. Could that be a palm tree? You stagger towards the oasis. There’s water! As you drink, finally, you know you have never tasted anything so wonderful. How much sweeter the water would have been without the presence of camel dung.

The moral? You can give salespeople, dying of thirst, even dirty water and they will drink it. But if they are not thirsty, they will not.

If they are satiated (busy closing a big deal) then you can almost bet that even clean water (sales-ready leads) will be ignored. If dehydrated, they will likely pursue any opportunities, even poor ones. And they will still want more.

To break this cycle, marketers must set the standard and strive to give salespeople—thirsty or not—only filtered water (sales-ready leads) that has been treated with reverse osmosis (universal lead definition and ideal customer profile). Only then will salespeople trust that every time they drink the water, it will be pure. Eventually salespeople will demand only the pure water, even if they are thirsty.

Making sure that a lead has a clear definition (that everyone has agreed to) and that it has been compared against your ideal customer profile is the best way to ensure that marketing does not deluge sales with too many leads at the expense of quality. Provide only the number of leads—good, sales-ready leads (pure water)—each salesperson can handle. By controlling the lead flow, the sales team has a better chance of actually developing relationships.

Case Study

A large utility company working with major energy users retained my company to develop and execute a lead generation strategy. The company was the result of multiple acquisitions. Services provided ranged from managing factory power stations to improving energy usage by large energy-consuming organizations like automotive manufacturers, government agencies, and state universities.

Despite lead generation programs implemented internally, there had been little traction among the divisions, and the sales pipeline was weak. The corporate CEO had spent considerable time developing shared culture and language among the acquisitions. The last areas to be integrated were the previously separate sales and marketing groups.

The corporate emphasis on collaboration and teamwork was significant to the philosophy that, as one, the multiple acquisitions would offer a better solution with cross-sell to larger customers as the goal. Results were disappointing, however. Senior sales management believed that this was because the three sales teams were using disparate sales methodologies and approaches to business development.

Collaboration and teamwork among the divisional sales teams was, in fact, virtually nil. Developing a universal lead definition, therefore, as a product of sales and marketing cooperation, was crucial to a mutual respect for and understanding of each unit's issues and ultimately the success of all.

In the end, we conducted an all-day universal lead definition workshop with divisional managers and front-line salespeople for purposes of creating a universal lead definition. It was important that we get consensus from everyone involved in attracting and getting customers, from the CEO to many line and staff functionaries.

By getting everyone together to jointly define the ideal customer profile and universal lead definition, they were able to collectively develop a common language that enabled more effective teamwork, more cross-selling opportunities between different groups, and greater return on marketing investment.

Each lead generation program this company uses now is better than the last, and results prove it. The sales team has become more productive, sales cycles are noticeably shortened, and new insights into the customer's needs are gained daily.

To effectively measure return on marketing investment and optimize sales effectiveness, you must centralize your lead management process. The first step is lead qualification, which we'll cover in the next section.

Using the Universal Lead Definition to Qualify Leads

Naturally enough, the ideal customer profile helps qualify potential customers up-front. With work on the universal lead definition completed, the next step is for the marketing team to qualify all leads by the process of lead qualification.

Lead qualification is a process that focuses on rating and scoring all inquiries, regardless of source, according to your universal lead definition. By using a lead qualification process, your sales team can rest assured that they will only receive truly sales-ready leads. By way of example and as illustrated in Figure 3-3,² SiriusDecisions has developed a lead level spectrum that is helpful in defining where a prospect or lead is in the buying process.² This sales lead spectrum can be used in support of the more detailed universal lead definition. The spectrum is an effective tool in deciding when a lead should be handed off to sales. With an agreement in place as to what level of leads sales should take, it ensures that these opportunities are handed off at the appropriate time. Interestingly, high-performing companies seek to send level-three leads or greater to their salespeople and they tend to have much higher ROI from their lead generation programs as a result. This confirms my premise that sending inquiries over to your sales team before prospects are further along in their buying process is not effective. In Chapter 18, I will outline the process of lead nurturing, which will help you move your low level leads or inquiries to higher level leads that you can confidently hand off to your sales team.

This lead qualification process must inspire the confidence of the sales team by being given only viable sales opportunities. Many organizations have created internal departments or hired third-party firms to assist in the task of qualifying leads from inquiries.

Once it is known where the leads fit into the sales process—and the customer's buying process—the appropriate marketing actions can be determined. This allows nurturing of leads that aren't yet sales ready, and, where necessary, the sales team can hand leads back to marketing for further qualification. In

² Figure 3-3, "SiriusDecisions Demand Creation Facts & Figures 2005," (Southport, CT: SiriusDecisions 2005).

Level 1	A response from an individual to a marketing campaign or someone who has taken proactive steps to demonstrate interest in your message, product, or service.
Level 2	A meaningful interaction (via phone or e-mail) with an individual meeting the requirements of a fully qualified company and audience.
Level 3	Level 2 plus the individual demonstrates a specific need for and interest in your product or service.
Level 4	Level 3 plus the individual is in the process of defining a requirement for your product or service.
Level 5	Level 4 plus the individual has the responsibility, budget, and a defined timeline for the purchase.

Figure 3-3 The SiriusDecisions lead spectrum

lead scoring situations, leads that fall below a certain threshold can be held back. If some leads fall out of the sale pipeline altogether, they can be recycled and further nurtured.

Creating a lead qualification process that works is challenging, and many companies do not succeed at the outset. With open and honest communication, however, including a closed-loop feedback mechanism for the sales team to use easily, the process is eminently doable.

Lead scoring is the method of assigning a numerical value (points) to responses gathered during the lead qualification process. A lead, classified by the universal lead definition criteria, is weighted based on the sales process. Added up, the lead criteria points yield a final score that, when meeting a predetermined threshold, is the basis for transferring the lead to sales.

Lead scoring can be complex and often begins as a relatively uncomplicated grading system that is then gradually enhanced as the process gets up and running. Lead scoring is only recommended when there is a large number of inquiries to screen. The numerous variables to weigh in screening suggest that the process should be as uncomplicated as possible at the outset, before attempting a scoring system. Lead scoring does afford visibility into the lead pipeline as well as the sales pipeline.

It doesn't matter what name your company calls a lead as long as it is meaningful to the sales force. Call it anything you want, but be certain that it carries weight with the sales team. It need not be complicated. As a matter

I facilitated a universal lead definition meeting with a new client that had previously formulated an internal quick-and-dirty lead definition. The company sought to relaunch its lead generation program with stronger buy-in from the sales team.

The director of marketing had heard caustic comments from the sales team about the quality of leads her department had generated before. She brought the meeting to a quick halt, explaining that she would get together with each salesperson one-on-one to work out issues pertaining to the previous program, in the interest of starting with unanimous agreement on sales lead definition this time.

This ultimately added an extra three weeks to the launch of the program, but the resulting consensus on the proper lead definition ensured the sales department's total buy-in. With the same tactics and budget as the previous program, return on investment was 120 percent greater than before. The full agreement of sales and marketing on a universal lead definition was credited as being the crucial success factor.

of fact, keep it simple and it will evolve to your continuing benefit over time; crawl, walk, and then run.

Salespeople don't care if a lead is A, B, C, or Q. All they really care about is whether the leads they receive are sales ready. They will not adjust their behavior just because marketing classifies a lead as having a score of 200 instead of WARM. Most follow the path of least resistance to get to the destination of making quota. Communication, teamwork, and shared vision are, as a result, essential.

Lead generation is an iterative process and it needs to be continually refined. Refining requires real data and feedback. To that end, marketing and sales must meet regularly, by whatever means, e.g., teleconferencing, sales get-together, etc.

The distributed energy of sunlight doesn't have the same force as the concentrated energy of a laser beam, and a laserlike focus is the key to an ideal customer profile and universal lead definition.

Choose your prospective customers carefully, always with a view towards achieving:

- Higher-qualified, sales-ready leads.
- A sales force with less frustration.
- Increased sales effectiveness.

- More accurate sales funnel management.
- Shortened average sales cycle.
- Fast adjustments and early insight.
- Prioritized efforts for a good lead-nurturing program.
- Sales force accountability.
- Measured effectiveness of the lead generation investment.

The ideal customer profile and universal lead definition work together to help you focus on the customer, which makes for a better customer. What's the long-term value of that customer? The payoff is in proportion to the investment, which starts with a clear picture of the ideal customer and follows through the process.



About the Author

Brian J. Carroll knows what drives B2B buyers. As the founder of the B2B Lead Blog, a researcher and lecturer on marketing best practices, and leader in empathy marketing, he's at the epicenter of the shifting B2B marketing landscape. He is also the founder of the B2B Lead Roundtable LinkedIn Group with over 19,533+ members. Brian helps companies understand and execute modern lead generation with his speaking, consulting, and training workshops. His blog, www.b2bleadblogger.com, is read by thousands each week.

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