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Defining and Ranking Sales Leads

Marketingsage's straightforward definition of a sales lead enables the meaningful ranking of opportunities as they enter the organization. In turn, the ranking allows both the sales and marketing teams to simultaneously apply different policies for sales lead management.

A lead is defined as a sales opportunity-related request with actionable contact information recorded by [Marketingsage].

Let's break down that definition:

A sales opportunity-related request. First and foremost, a lead is a unique sales related request, not necessarily a unique person or organization.

Marketingsage usually grades leads based on 5 types of request: **(1) Order, (2) Price, (3) Evaluation, (4) Information and (5) No Request.**

The request could be the result of a conversation, correspondence or it could be implied by someone registering to download related online information such as a report or white paper.

These requests indicate where a prospective customer may be in their purchasing decision process. Additionally, these request types are relatively easy to accommodate using web-based forms and by accounting for the source of the lead.

Obviously, an order request is more attractive than a request for information. A "No Request" designation could be used for a rented prospect list that could be used for cold calling.

Sometimes non-sales related requests end up in a lead management system. For example, a firm may get employment inquiries or a journalist may request product information for a review, without any intent to purchase. The transfer of non-sales related inquiries to the sales team is rarely an issue. However, it is important to be clear that leads are only those requests that are sales related.

Actionable contact information. Such information includes a full name, phone number, email and/or physical address. Depending on the client, it also includes an organization name. Whether some or all of this information is required is client and situation dependent. If no actionable contact information is provided, we would not count the "request" as a lead.

Note that this definition of a lead may result in the same prospect being counted as multiple leads. Multiple requests are counted because they can be a strong indicator of interest.

For example: a prospect may request a white paper in February and a price in March, indicating a progression of interest. An initial product assessment project in March may not get funded until December so along the way you may see multiple information requests from one or more people at the same organization as they work through their own internal processes.

We recognize that a sales team may aggregate leads to suit their own purposes. A business-to-business client would likely equate the requester's organization with the sales opportunity. Thus they could consolidate multiple requests from the same person and requests from different people in the same organization into one sales opportunity or one "account."

Of course, some leads will be actual duplicates. Sometimes a web form user with a slow connection will push the opt-in button multiple times and generate duplicate requests. When the exact same information is submitted within a short period of time, Marketingsage will not count the duplications as leads.

Recorded by Marketingsage. If you are not using Marketingsage for lead management you can substitute your name, or a department name, for ours in this definition. However, it is important to specify where leads are counted because not all leads will make it there.

For example: some salespeople don't enter their best leads in their CRM system until they make the sale. Some publishers will record and store leads from adverts on their computers. But until these leads are delivered to where they can be used, they would not be counted.

Lead Ranking

When you (1) classify leads based upon the prospect's request (e.g. a price request), and you (2) have verifiable contact information (e.g. a corporate email address), and you can (3) consolidate leads from multiple sources into one place (e.g. Marketingsage's *Unoso Lead*

Manager software), you can grade and rank those leads in a way that facilitates decision making.

Marketingsage further evaluates requests using the contact information provided by the prospect. Assuming the contact information is actionable, attractiveness is then based on the web domain associated with the email address and how those domains are flagged on a client-defined Watch List. Attractiveness is based on one of five priority settings: **(A) Highest, (B) High, (C) Neutral, (D) Low and (E) Lowest.**

For example: a client who sells to large businesses might assign the highest priority to Fortune 1000 firms. We assign prospects using disposable email addresses to the lowest priority and clients might similarly classify their competitors in this way. Some business-to-business clients assign a low priority to prospects using public email addresses (e.g. Yahoo, Gmail, etc). Unrecognized domains are usually considered to be neutral.

At Marketingsage, lead attractiveness settings and watch lists are defined for each client and managed within our proprietary software.

The net result of the Marketingsage definition of a lead and our grading process is a matrix that accommodates lead management policies. And, one of the benefits of this is system is the fact that the same leads can be managed by both sales and marketing according to each department's own policies.

	Lead Rank Matrix	Attractiveness Priority					
		(A) Highest	(B) High	(C) Neutral	(D) Low	(E) Lowest	(X) Not a Lead
Prospect's Request	(1) Order	1A	1B	1C	1D	1E	
	(2) Price	2A	2B	2C	2D	2E	
	(3) Evaluation	3A	3B	3C	3D	3E	
	(4) Information	4A	4B	4C	4D	4E	
	(5) No Request	5A	5B	5C	5D	5E	
	(9) Not A Lead						9X

Here are some example policies:

- Marketing: All leads are added to an email list for nurturing, except the Lowest Priority (E) leads.
- Sales: All order requests (1) will get an immediate call from a sales representative, except when there is no actionable contact information (X).
- Sales: Neutral Priority price (2C) and evaluation (3C) requests will be assigned to authorized resellers within 24 hours.
- Sales: Information requests from Neutral Priority (4C), Low Priority (4D) or the Lowest Priority (4E) prospects will be assigned to our outsourced telemarketing team for follow up.
- Sales or Marketing: A budgetary price can be emailed to all those who request one, except if the request is from a public email address (2D) or undesirable email address (2E). A price can be provided to Low Priority (2D) requesters if their identity can otherwise be verified (e.g. by telephone).
- Marketing: When calculating the cost-per-quality-lead for a particular campaign only the Highest Priority (A), High Priority (B) and Neutral Priority (C) leads will be included. Budget will be first assigned to the sources with the lowest cost-per-quality-lead.

Practical, But Not Perfect

The Marketingsage system is practical.

- It uses the information available at the time a lead enters the organization to assign a rank that can be simultaneously used in different ways by different people. This allows the sales team to focus the most time on the leads that are most attractive to them. And it allows the marketing team to assign the most budget to campaigns that generate the highest quality leads.
- The system can be optimized.
- The system can be automated and therefore it can manage high volumes of leads.

However, the system is not perfect.

- The rank assigned does not necessarily determine whether any individual lead is more or less likely to result in a sale. Other factors such as the product, price and place-of-sale are critical to turning a prospect into a customer.
- The system will not sideline all poor quality leads because there are diminishing returns associated with creating the rules that manage leads.

No system is perfect for all people at all times. However, the Marketingsage system can be the most practical for most people, most of the time.

About Marketingsage

Founded in 2002, Marketingsage is a full service marketing agency that's helped clients generate millions in new revenue by generating sales leads, building brands, launching new products, and establishing new sales channels. We've achieved that at about 50% of the cost of adding to payroll or using typical agencies.

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