Integrate Sales and Marketing – Create a Convergence for Better Lead Management

Sales and Marketing departments have been at odds with each other almost since the introduction of marketing. They have continually debated such issues as the quality of leads provided by Marketing to the Sales team and the effectiveness of Sales to develop those leads into revenue.

Talk with anyone in a Sales organization and a real disconnect between them and Marketing becomes obvious. Common complaints include "If I had better leads, my close ratio would be significantly higher" or "These leads are not the right target audience."

The attitude is not much different in the Marketing department. Marketing team members often feel that Sales is not doing its job and only wants "orders" rather than having to work the deal. Issues from Marketing departments include "If the Sales team followed up on all the leads we provide them, then they would exceed their sales quota."

This is a traditional problem that needs a modern solution to maximize marketing dollars and drive additional revenue for the company.

Business Drivers

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Typically, companies spend 10 – 30% of their revenue on marketing activities. In today's business environment, executives are carefully scrutinizing every penny spent within their organization to increase profits and shareholder's equity. Marketing budgets are no exceptions. Executives want to ensure money is spent wisely and that they are achieving an appropriate return on investment (ROI).

At the minimum, Marketing departments are now required to quantify the ROI for each campaign. However, once the Marketing department can track ROI, executives demand the Marketing department to increase the ROI to drive increased revenue for the organization.

That's where Customer Relationship Management (CRM) solutions can help. Integrating Sales and Marketing efforts makes it possible to connect leads generated by Marketing to the resulting revenue generated by Sales.

Consumers see over 1 million marketing messages per year.

What's more, consumers have become increasingly leery of anyone trying to sell them anything. It is estimated that the average consumer sees over 1 million messages per year – almost two messages per minute. The firms that develop a strategy that offers true value to consumers in exchange for

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additional information may successfully increase the trust with customers, thereby increasing opportunities to sell them products and services. CRM can help build that trust by tracking how a customer wants you to communicate with them, whether by phone, email or written correspondence, capturing historical information about each interaction and then making that information available across an organization – whether that is down the hall or around the globe.

Issues Facing Sales and Marketing Departments

Without a CRM solution, Marketing departments are flying blind. With firms spending so much of their revenue on Marketing, executives are demanding that marketing leadership justifies each dollar spent. Gone are the days of throwing dollars at marketing without having some measurable metrics, whether that is an ROI for the campaign or something as simple as a 'quick ratio' that shows how much impact the campaign has had on the pipeline.

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Another consideration is the results from the leads sent to the Sales department. An estimated 70% of the leads sent to Sales are never pursued. The Sales department believes that either these are the wrong leads or that the buyer is not ready to make a purchase. At this point, you have spent a significant amount of time and money to find prospects that are similar to your best customers and developing a campaign to speak to them without follow-up, resulting in wasted marketing dollars. Only by getting the right lead to the right sales person at the right time, can such waste be eliminated.

A third issue facing many companies today is that information learned about a lead during the marketing process is not shared with Sales. It may take two, three or even more touches before a prospect is ready to engage with Sales. Each of these interactions can provide insight. Also, Sales may gather the same information that has already been captured during the marketing process, wasting time and eroding trust between the two groups. Sharing information about a lead across an organization can immediately differentiate a company from its competitors and close the trust gap between a salesperson and the prospect and between the Sales and Marketing teams.

Plan for Success

For best results, you must bring together the right people, processes and information.

For best results, a lead management system must bring together the right people, processes, and information. In order to accomplish this, a system must:

- Provide access to information across the entire organization, including any pre-qualification resources such as a call center. With this information about each and every interaction, you can make a better impression on new prospects and improve your odds of winning their business.

- Identify hot prospects and route them immediately. Studies have shown that it is critical to get hot prospects in touch with the right person quickly so they can respond immediately. With a fast response, even if it is an automated response thanking them for their inquiry and informing them that that Sally Jones, the Account Executive for their territory, will be in touch with them within 24 hours, you form a favorable impression of your organization with the prospect, which can make the difference between winning and losing a sale.

- Actively engage the remaining leads and nurture them. Marketing's role is not just to attract new leads; best practices call for Marketing to nurture prospects to move them forward in the sales cycle. Marketing should continue to learn more about these leads and refine their messaging so it brings value to them, so they are willing to share additional information. By building trust and interest over time, these prospects will move through the sales cycle until they are ready to have the Sales team re-engaged.

- Track leads to closure. It is important to track all leads throughout the entire process to know what is working and what's not. By tracking leads and interactions with prospects, trends are identified and marketing processes are refined.

- Evaluate ROI of marketing campaigns. It is important that you develop closed loop reporting that ties the leads develop with each campaign to the resulting revenue. Typically, it will take multiple touches in order to move a lead through the sales cycle, so make sure that you determine how you are planning to allocate the revenue – to the first response because that is what got them to raise their hand, the last because that got them to engage with Sales, or spread the revenue across all touches equally. In addition to measuring ROI, which typically cannot be determined until well after the campaign is complete, consider using a 'quick ratio' which shows the impact of the campaign on your Sales pipeline. This can be determined early in the campaign while you still have time to make adjustments to your messaging, list and offer. With proactive adjustments you can improve the effectiveness of your campaigns.

Lead Management Best Practices

So how can technology help integrate your Sales and Marketing team to build a more efficient and effective lead management process? Here are a few best practices for transforming your Sales and Marketing teams to create a convergence for better lead management.

1. **Create a "Corporate Memory" that forms the basis for building business relationships.** Sharing what you learn from each customer interaction not only builds a customer-centric focus, but also a true dialogue that demonstrates interest to customers when any member of your team can tell them "I remember you…" or "I see you were working with…." In today's fast-paced business environment, it's difficult to differentiate yourself based on products and services alone. How a company interacts with its customers and prospects allows firms to set themselves apart from competitors.

2. **Access for your entire company.** Technology can connect your entire organization any time and anywhere. Whether down the hall or around the globe, CRM technology can empower your office-based users, remote users or those highly mobile sales people who need real-time access to their contacts, calendars and activities via the Web or mobile devices. It is important to look for a solution that can adapt to your users rather than your users having to adapt to the technology.

3. **Automate your processes.** Automating best practices can ensure that your Sales and Marketing teams are doing the right things every time without having to think about it or "reinventing the wheel" every time. With automated processes, prospects are moved through the sales cycle faster by making sure no steps in the sales cycle is skipped and with less seepage.

4. **Track all marketing activities.** Seldom are you able to touch a customer once and make a sale. More often, it takes several touches to find a lead's "hot button issue" and to entice them to meet with your Sales team. Tracking all marketing activities and learning from each interaction enables you to determine what is important to the lead and helps you to refine both your messaging to that lead as well as your marketing campaign.

5. **Nurture leads.** A typical sales person will tell you that most leads from Marketing are not the "right" leads, and that is why they don't work them. So, rather than sending out just any "response" that is generated, Marketing needs to send out only qualified leads. For the "responses" or less qualified leads, a campaign to nurture and move them forward in the sales cycle should be established. That's where technology can