

First Contact Management: Bridging the Gap From Marketing to Sales



345 Millwood Road
Chappaqua, NY 10514
www.raabassociatesinc.com

Bridging the Gap from Marketing to Sales

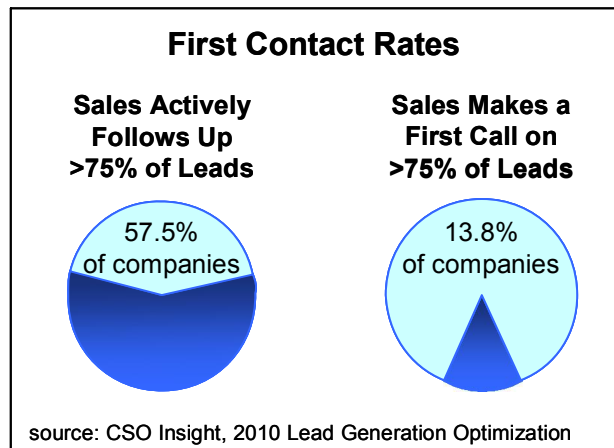
Introduction

Smart managers have long recognized the importance of effectively moving leads from marketing into sales. Failure to take advantage of an opportunity uncovered by marketing is a double loss: the company has not only missed a potential sale, but also wasted the money spent on acquiring the lead. Indeed, the need for formal processes to manage lead qualification, scoring, and hand-off is nearly a cliché among sales and marketing experts.

To some extent, the message has been heard. According to a recent survey from CSO Insights, more than half of sales departments follow up on 75% or more of their leads. But that same survey found that just one-seventh actually reach that many. In other words, sales departments are trying to make contact but very often fail.

It's easy to blame the quality of the leads themselves: they can't be reached because the contact information is invalid. But as marketers adopt more sophisticated lead screening, scoring, and nurturing techniques, they hand over fewer unqualified contacts. The problem is more likely a failure by sales departments to reach out effectively.

Let's be clear: the key word in the sentence you just read was "effectively". Most sales departments do reach out. But unless they do it in a systematic, determined fashion, they will miss many possible connections. And, to be clearer still, trying one phone call and then quitting doesn't count as a systematic, determined approach. Yet that's the standard that most sales organizations apply.



This paper describes how companies can manage the all-important first sales contact with marketing-generated leads, truly bridging the gap between the marketing and sales funnels.

Why First Contact Matters

Before jumping into mechanics, it's worth exploring why the first sales contact is so important. Obviously it's an essential link in the chain that connects initial prospects to final sales. And, just as obviously, the transition from marketing to sales is a particularly perilous link in that chain: if sales doesn't reach a marketing-generated lead, that lead will be removed from both the sales and marketing systems and, most likely, never be touched again. It is truly lost.

First contact is important for another reason. Marketing interactions today are almost exclusively digital: they are email messages, Web pages, forms, downloads, and Webinars. These can provide a great deal of insight into a prospect's needs and interests, but the conclusions are largely inferred from behaviors. The first sales contact is usually the first human interaction with a prospect, and thus the first opportunity to get direct answers to specific questions. Direct contact brings the

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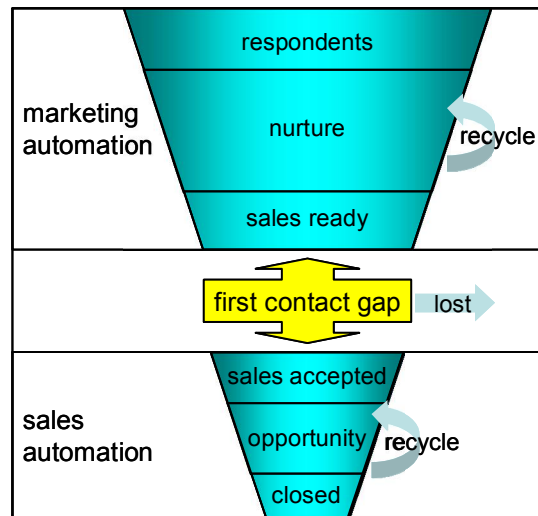
company's understanding of the prospect to an entirely new level. It simultaneously begins building a true personal relationship.

In short, the first contact is more than another step down the road to a sale. It's a critical fork in that road, determining which leads move ahead and which move in other directions or get lost altogether. Getting the right answers helps the company put each lead on its proper path, ensuring that sales and marketing resources are deployed as productively as possible.

Doing First Contact Right

We've seen that effective first contact management meets two goals: gathering useful information and reaching as many people as possible. What does it take to achieve these?

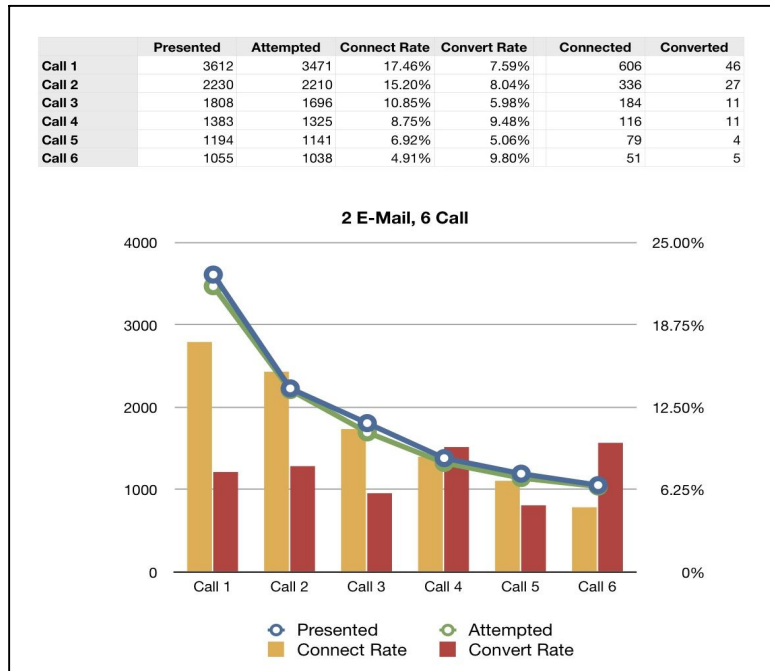
- **Structured process** is certainly critical. The process must continue to attempt contacts beyond the first call, until further effort is clearly unproductive. This is probably the greatest problem with leaving first contact up to salespeople: they're likely to stop trying after one or two attempts, even though they know that more messages are often needed to reach even interested prospects. Or, in some ways just as bad, the number of attempts will depend on how busy the rep is with other tasks, meaning that they sometimes make more calls than appropriate and sometimes fewer. Either way, they're certainly not making the number of calls at the specific intervals that careful research has found to be optimal.
- **Structured questions** ensure that the company gets the most value from each lead it does reach. The problem isn't that salespeople can't be trusted to ask the right questions: most companies provide training and a structured approach that ensure that salespeople know what to ask. But if the answers are simply captured in a call notes on an account record, they are inaccessible to anyone other than the salesperson or someone else reading the notes individually. Truly structured questions provide answers in a format that can be analyzed statistically, the way you'd analyze a survey. This exposes patterns and trends that would otherwise remain buried in the scattered account records. If the questions themselves are chosen wisely, they can also create insight that extends beyond the lead itself to show the performance of different marketing messages, lead sources, contact patterns, and sales reps. Again, this is only possible if the data can be extracted from individual calls to draw a larger picture.
- **Structured measurement** helps convert data into action. Companies must define key metrics, set targets for those metrics, compare actual results to the targets, and explore significant differences. The metrics themselves must fit into a framework that illustrates how they relate to each other and to business value. Continuous, focused attention to measurement lets the company identify the causes of variations in results, building a foundation of knowledge to improve future performance. Improvements that can only be based on formal



Bridging the Gap from Marketing to Sales

measurement include better lead source selection, more precise segmentations, optimal call timing, more effective messages, and better sales training. This sort of measurement is already standard procedure in managing lead generation programs and sales teams. Once the necessary systems and data are available, it can be applied to managing first contacts as well.

- **Appropriate systems** support the structured process, questions and measurements. Traditional sales automation systems are designed to help salespeople manage personal relationships. They may support a structured selling methodology but they're not built for the high volume, highly structured phone calls required for an effective first contact process. Standard telemarketing or phone survey systems are a better fit, although those are sometimes too structured to support the fluid conversation most appropriate to first contact calls. The trick here is to minimize the effort to make the calls, capture answers and outcomes, analyze the results, and feed qualified leads to salespeople. The right system might be a stand-alone product or a module within marketing automation or sales automation. The architecture matters less than smooth operation and tight integration with both the marketing and sales departments.



System Requirements

What should you look for in a system to manage first contacts? Here are some key considerations:

- **Marketing integration:** the system needs to import leads from marketing automation systems and other sources and feed them quickly into the calling process. Speed is essential to reach people when they are actively researching a product, so the import process should be fully automated and as close to real time as possible. But records must still be filtered to ensure that calls are only made to qualified prospects. This means your process should take advantage of lead qualification and scoring features built into the marketing automation system. Sales reps need to see the full history of each lead, including messages sent, forms completed, survey responses, items downloaded, Web pages visited, and company data from internal and external sources. This can either be copied into the first-contact system or read directly from other locations.

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- **List management:** imported leads will be sorted into groups to track performance and to control treatments such as number of calls and questions asked. Sometimes these lists will be based solely on the original source, but in other cases the leads will be further segmented or regrouped for more effective processing. For example, combining several small lists into one group makes it easier to assign a reasonably-sized pool of leads to a set of sales reps.
- **Sales rep management:** sales automation systems are designed to help salespeople manage personal relationship with their leads. But first contact occurs before that relationship has been established and is often made by sales reps who will not ultimately handle the account. This means the first contact system needs a more flexible lead distribution mechanism based on sales rep availability and skills, including options to reassign leads if a call is due when the original sales rep is unavailable. The system also needs to track sales rep performance statistics unrelated to final sales results, such as calls per hour and connection rates.
- **Data gathering:** sales reps need an interface that lets them capture structured information quickly without imposing a rigid, sequential script on the conversation. It should minimize keystrokes by letting sales reps pick from lists of predefined answers instead of typing free-form text notes, and allowing a single click to execute multiple steps such as recording a disposition and scheduling a follow-up call. Several dynamically changing sets of answers can be displayed simultaneously to accommodate conversations that move in different directions. The system should also prompt sales reps about important topics and key points: remember, the primary goal of the calls is to “sell” a first appointment; gathering information is important but still secondary.
- **Disposition tracking:** the system needs to track the disposition of each call and each lead, again within a structure that allows easy analysis of the results. Call dispositions include whether and why another call is needed, any message left for the recipient, and responses received when a connection is made. Lead dispositions tell what happened during the appointment or demonstration set up during the first contact. They are captured in the sales automation system, so integration may be needed to connect them with first contact data. But this is worth the effort because lead results provide critical feedback about the quality of the leads being passed to the sales department. Lead dispositions will differ depending on the type of sales interaction: possible outcomes for a potential new customer are different than outcomes for a retention campaign.
- **Analytics:** the most basic first contact report shows success rates (typically, a telephone or in-person sales appointment) for each call in a sequence. This allows the company to determine how many times to try reaching each new lead before giving up. Other reports show the reasons given for rejections, types of contacts, follow-up activities, and profile information. Reports should display key ratios, such as completion rate per call number, and allow deeper examination of supporting statistics and of results by list and sales rep.
- **Sales integration:** just as leads must move quickly and easily into the sales automation system once the first contact is set. Specific requirements include routing leads to the proper sales person (or, more likely, providing the sales system with data to do its own routing), transferring any scheduled appointments

Bridging the Gap from Marketing to Sales

directly into the salesperson's calendar, and sharing any information gathered during the first contact calls. In addition, as already noted, sales automation must report lead dispositions back to the first contact system after appointments or demonstrations are complete.

Improving Your Results

Building an effective first contact process takes time. Fortunately, you can follow a step-by-step process that will lead to continued improvement.

Step 1: Self-Assessment

The necessary tasks depend in part on what you're doing already. So you can start with a self-assessment against a simple maturity model:

First Contact Maturity Model			
Level 1	Level 2	Level 3	Level 4
• Leads are handed from marketing to sales without any qualification. • Salespeople handle them as they see fit.	• Leads are scored on criteria accepted by both sales and marketing. • There is a agreed hand-off process including feedback on which leads are ultimately reached • First contact is still up to individual salespeople.	• Formal lead scoring and hand-off processes are in place. • Sales has agreed to make at least one call to all qualified leads. • Sales has the ability to send rejected leads back to marketing for additional nurturing. • First contact may be handled by individual sales people or by a separate team.	• Formal lead scoring is in place. • Qualified leads are handed to a separate first contact team, which may be either sales or marketing. • First contact team follows a standard process including multiple calls, structured data capture and continuous analytics. • First contact team is equipped with systems that automate receipt of leads from marketing and transfer of contacted leads to sales.

Step 2: Planning

Whichever level you currently occupy, your goal is to move up to the next. In each case, you'll need a project plan that includes specific objectives, responsibilities, and metrics. Success will involve changes to business processes, with all the planning and training that implies. You won't necessarily need new systems, although if you don't you'll still need to change how you use your existing ones. As always, metrics are

Bridging the Gap from Marketing to Sales

critically important, both to ensure the process is being followed and to measure the value of your results.

Step 3: Test

Once you've built your plan, you have to sell it to someone – either higher management or, if you're senior enough, to yourself. Either way, you'll probably need some proof that the proposed cost is worthwhile. The best way to prove the value of your plan is a test. This is much simpler for first contact programs than many other types of business change: you just select a group of leads and run half through the proposed process, while treating the other half the way you always have. The details of the new process will depend on your starting level. But in almost all cases you can probably do the test quickly and at minimum cost. If internal resources are very limited, or you don't think you'll be able to do a good job on your own, you should be able to hire an outside service to help.

Step 4: Evaluate and Continue

Your test plan should include capturing result metrics. These will let you quickly evaluate the results and estimate the financial value of the expected improvements. Of course, there's a chance that the costs will outweigh the benefits, in which case you may need to scale back your project or try a different approach. Be sure to factor in the value of future improvements – continuous refinement is a major benefit of having a well-organized process.

Summary

Moving leads from marketing into sales has always been a challenge. But today the costs of a broken process are increasingly unacceptable. Inserting a formal first contact process between marketing and sales can reliably bridge the gap where leads are easily lost, ensuring that each lead receives proper treatment and uncovering sales opportunities that would otherwise be missed. The new process can be tested in advance and introduced in stages: unlike many other business initiatives, this is one where risk is low and improvement is virtually certain. There's no reason not to proceed.

Bridging the Gap from Marketing to Sales

About Raab Associates Inc.

[Raab Associates Inc.](http://www.raabassociatesinc.com) helps companies make the most of today's marketing technologies. Each engagement starts with a thorough assessment of the business situation. We then work with clients to identify the solutions best suited to their unique needs and resources. We stay involved through deployment to ensure that each project meets its objectives and lays the foundation for future growth. For more information, visit www.raabassociatesinc.com or email info@raabassociates.com.

Raab Associates principal David M. Raab has more than 30 years of experience as a marketer, consultant, author and analyst. He has worked with major firms in financial services, health care, telecommunications, publishing, consumer goods, technology and other industries. Mr. Raab has written hundreds of articles on marketing issues and addressed audiences in North America, Europe, Asia and Australia. He is author of the *Raab Guide to Demand Generation Systems* (www.raabguide.com) and *The Marketing Performance Measurement Toolkit*, available at www.racombooks.com.