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LEAD QUALIFICATION FOR INBOUND MARKETERS

survicate.com

Lucek Kierczak

Inbound Marketer
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What is this guide?

This guide has been created to provide inbound marketers with a comprehensive understanding of lead qualification. It defines lead qualification and explains why it is important, as well as how it can help not only marketers, but also the entire company. After reading this guide, you will be able to **improve the lead qualification strategy** at your company or introduce the concept if you don't have one in place yet.

Almost 40% of marketers surveyed by Holger Schulze admit that the company website is the most effective lead generation tactic. That's why this guide will focus on qualifying leads on the website, as it's an effective and popular approach that helps sales teams focus on promising leads and close more deals.

„61% of B2B marketers send all leads directly to sales"

What is Lead Qualification?

First things first—what is lead qualification? **It is the process of defining whether a person is a good fit for your company** and might become your customer. Sooner or later, all leads are qualified by either the marketing or sales team. Qualifying a lead quickly saves time and increases the effectiveness of the sales team.

This gets a bit more complicated when you dig into the details. Usually, the marketing team collects leads and passes them to the sales team or leads are sent directly to sales when lead qualification is not in place. According to MarketingSherpa, 61% of B2B marketers send all leads directly to sales.

How do an outstanding 39% decide when to pass the lead from marketing to sales? The marketing team is responsible for attracting people, but the sales team is responsible for working directly with potential customers and closing deals. Usually, marketing departments are responsible for delivering Marketing Qualified Leads (MQL) and the sales team does the rest.

Marketing Qualified Lead

One of the popular definitions of a marketing-qualified lead used by inbound marketers is a visitor who expressed interest in your content more than once. For example, a person who downloaded a piece of your content, received an email with another article, and downloaded that as well becomes a marketing-qualified lead. It means that the marketing team did their job and produced interesting content, which people wanted to read and found valuable.

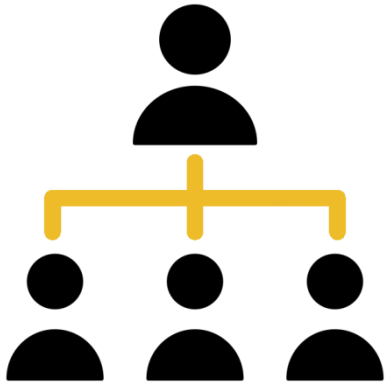
The traditional attitude assumes the passing of this lead to the sales team to do their job and convert those leads into customers.

…do not waste time – yours and your visitors'!

This is simple and might work, but it's also a lost opportunity to gather valuable information before passing a lead to the sales team, as you might have found out more about this person. They performed an action to find, download, and probably read your content, so they are likely to tell you more about themselves if you ask. Using this opportunity means achieving a higher quality of lead and wasting less time of the sales team.

Some companies demonstrate this attitude in a basic form: you have to fill out forms in order to download a piece of gated content. They usually ask about your role in the company, its website, and so on. This is a good start, but these forms are usually static—they don't change upon your next visit. For this reason, when you download another piece of content from the same website, you will resubmit data that they already have. The result…

visitors waste time filling in duplicate data and the company does not find out anything new or interesting about them. This sounds like a waste of resources and opportunities.
We'll come to solving this problem later on…

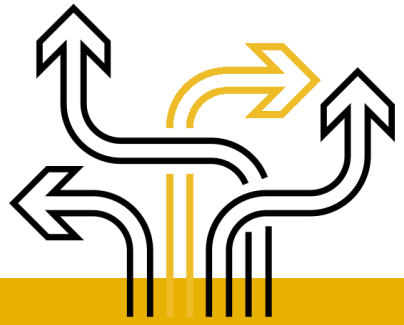


When should I gather information?

Another problem is that even if you use a form and change the questions, you will gather insights only when a person wants to download something, even though they might visit your website every day and read open content.

You can solve this problem by using on-site surveys and collecting feedback at any time. We'll come to both forms and website insight surveys later on, but let's now get to the point of this **guide—how and why should inbound marketers qualify leads?**

„77% of respondents consider generating high-quality leads as a top challenge when it comes to lead generation" Annuitas Group



Challenges

For 52% of professionals surveyed by the Annuitas Griup, **volume** was the biggest challenge when it comes to lead qualification. **Capturing any lead is no longer that difficult** — you can use your website for that, buy a database, or use one of the dozens of other techniques. The **problem lies in capturing leads that are likely to be converted into customers**.

According to Gleanster Research, only 25% of all leads are legitimate and should advance to sales. Low-quality leads translate into wasted time for sales representatives and thus wasted money for the company. Proper lead qualification can now become the key to gaining a competitive advantage—your sales team can focus on promising leads while your competitors waste time and resources talking to each and every lead they capture.

Chris Makara

Interactive Marketing & Digital Strategist

CHRISMAKARA.COM

„Without qualifying your leads, it's like throwing spaghetti at a wall. Sure, some might stick, but the rest will just go to waste."

And spaghetti is too good to waste, right?

This guide is meant for marketers, so I can add one more advantage of implementing a lead qualification process—your colleagues from the sales team will finally complain less about your work and focus on their own job.

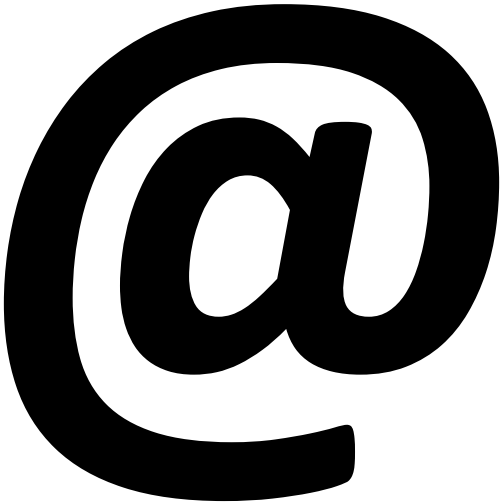
How inbound marketers can qualify leads

„79% of companies that have a blog report a positive ROI for inbound marketing in 2013.”

Inbound marketing is undeniably a great and highly efficient way of increasing website traffic. It helps people find you and decide whether you can solve their problem. By producing high-quality content, you also show that you know your industry and that potential customers can count on your experience and knowledge when they need any help.

What’s more, you can limit access to the best pieces of content, such as ebooks, reports, and guides. You can provide a short intro or a brief description of the article, but then require an email address for a full download. This gives you more than just an email address—you now know that the person is interested in a certain kind of content and that they already know about your website. This person might be looking for a solution to a problem that your company can solve.

Company email required!



Additionally, people quite often type in their work address to have a piece of content sent there so you also know where they work. This can be incredibly important for the sales process, because you can check the industry, size of the company, and other characteristics that may be important to you. If the lead works in financial industry startups and you target construction industry enterprises, then you can dismiss this opportunity immediately.

If you don’t demand a work address, then it’s time to change your approach, because you will simply lose an opportunity to squeeze out as much information as possible when capturing every lead.

Inbound vs Outbound Cost

According to HubSpot, **the average cost of acquiring a lead for mid-sized companies can be three times lower for inbound marketing compared to outbound**. This comes as no surprise, and there are two reasons for that.

- First, you don't have to pay for clicks from search engines or any other kind of paid sources of traffic—the main cost is your time.
- Second, inbound visitors are more likely to convert, as they have already showed an interest in your services by, for example, Googling a specific term. You know that they are looking for something specific, which is contrary to the majority of visitors from traditional display advertising.

I'm just window shopping here… ;)

Inbound marketers face another problem: producing high-quality content brings a lot of people to your website, but most of them are just looking for information. As you can imagine, few of those who are regular readers of your great content are likely to become customers. Many of them probably don't even consider it as a possibility—they might not even be working in the type of company that you target. Individuals also look for information and want to know more, especially when they want to expand their career opportunities.

Thousands of people go to the HubSpot blog to improve their skills or find a particular piece of information, but only a small percentage are likely to become customers. Does the visitor have any authority in their company to influence the sales process? As you can imagine, if an intern in a big company is interested in your content, it doesn't mean much, so your sales team should not contact them. **Answers to those and other questions can increase the efficiency of your sales process**, and you can do all of that before passing the lead to the sales team.

Allignement

Traditionally, most of the lead qualification process is completed by the sales team. This creates inefficiency—salaries of sales reps are usually high, so they should focus on leads that are likely to convert. There exist a few popular sales process frameworks that show sales reps what to ask. They are useful tools, no doubt, but today's technology clearly shows one thing—automation is a great way to increase efficiency.

You can use technology to ease the burden of the sales team and qualify at least a part of the leads before passing them on to sales. However, frameworks are still useful. It is crucial that you use the same framework for sales and marketing, allowing them to create alignment between the teams to understand each other better.

Matt Heinz

President and Founder

Heinz Marketing

„Common definitions between sales and marketing are critical. But both teams need to have the same objectives as well. If marketing doesn't know what the sales goal is, and isn't building their priorities based on what sales needs, then you're artificially creating friction in the organization."

You can use frameworks to ask proper questions in the correct order, which will integrate the lead qualification process used by marketing and sales departments. Sales reps will know answers to some questions, so it will be easier for them to decide who is worth talking to and which questions don't need to be asked.

Also, contacting the person who answered questions is easier - sales representatives know what to focus on (for example, showing how your product solves the problem that the person faces), which makes closing the deal much more likely.

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Popular Framework…

The most popular way of qualifying leads is BANT, which stands for:

- Budget,
- Authority
- Need
- Timing

Discovering all those attributes of your lead shows you whether it is a good fit or not. All sales reps probably know this framework and many of them use it on a daily basis. All big fish use it—you can even find an open document of Google for their Apps resellers, which is fully based on this attitude.

…doesn’t mean a good one!

The problem is that it is not the best approach to use when you qualify leads on a website. Many people will answer just a few questions, which is why you should start with questions that are the most important to sales. Example: you ask about the budget of the organization that the visitor represents. They answer that the budget is far bigger that you expect, so you smell a good deal. The person does not answer any further questions, so you just pass the lead to the sales team. The sales rep contacts the person and it turns out that their budget is large, but they are looking for a solution to a problem that you don’t offer.

This just wasted the time of the salesman. If you had asked the right questions about the problem first, you would have avoided this. For this reason, you might use the second, not so popular, framework called **CHAMP**.

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Common framework

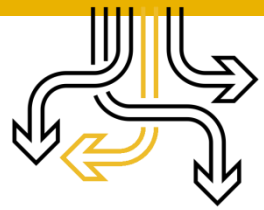
CHAMP stand for:

- Challenge
- Authority
- Money
- Prioritization

The main difference between CHAMP and BANT is the order of questions. You begin by discovering what challenge a visitor faces and thus decide if you can provide them with a solution. If you can't, don't waste any more time talking to them, even if their budget can earn you a $5,000 bonus, as they won't buy your solution anyway.

Questions are similar to those used for BANT and next slides show a list of sample questions that you can ask your visitors.

Challenge



1. **What problem do you hope to solve?**

B2B companies often offer sophisticated services that might be misunderstood by visitors to the website. Focus on those whose problems you can solve and don't waste time on others.

2. **Are you currently using other providers or looking for something new?**

Determine who is familiar with similar services and who is new to the business. Users of other solutions are probably more educated, but can also have higher expectations than visitors who simply want to get started using a service in your industry.

3. **What will be the consequences of not resolving this problem?**

Some problems, if not solved, can cause the company to go broke. Others might add 15 minutes of work per day to one employee. Discover the details of the case, but start by focusing on the most serious problems first.

Authority

1. Who is involved in the buying process, in addition to yourself?

Quite often, people who find your solution are its final users who are looking for a solution to their problems. Their opinion is important, but there are probably other employees who are involved, e.g. the person responsible for financial issues.

2. Who has the final word in the buying process?

Final users of your solution might not be those who decide whether or not to buy it. Of course, you should address the needs of the final users. However, keep in mind that if you were to choose one person from the group involved in buying, this should be the person whose opinion is the most important.

Money

1. What is the range of your budget?

Some buyers might be interested in the kind of services that you provide, but are not willing to pay the price. For some of them, much less sophisticated services that come at a lower price might be enough.

2. Do you have a part of the budget assigned to this solution?

A purchase is much more likely when the company has a budget for that. All unplanned investments are difficult to push. If there is a part of the budget assigned specifically to a solution like yours, it means that high-level decision makers are aware of the problem.

3. How do you usually allocate budget for a solution outside of your regular budget?

Some companies have strict rules regarding unplanned investments. Sometimes, it can even be impossible to push a substantial investment that was not involved in a budget. At that point, your efforts won't change much, so you should focus on persuading them to include this type of investment in their next budget.

Prioritization

1. When would you like to implement our solution?

This is the simplest way to discover how much time the buyer has for an implementation of the solution. Your negotiating strategy depends on it—whether the buyer has two weeks or two years.

2. How high is this issue in your hierarchy?

Some issues might be not time-urgent, but are still very important. Others might be urgent, but of little importance. The combination of high priority and urgency gives you the biggest advantage in negotiations, as the buyer is under pressure.

Best Practices

Don’t jump into lead qualification right away. First, consider how to do that properly. Do you have content that visitors have downloaded or want to download? If not, start by creating it. Keep in mind for whom you are writing—make it interesting for your potential customers. If you have such content, talk to your sales team to decide what you want to find out exactly. CHAMP framework described earlier is easy to use and highly reliable, but you might need some further information specific to your company or industry.

When you know what you want to find out, it’s time to create questions. They should be easy to understand so that visitors don’t get confused (take a look at this article if you need help).

Don’t be afraid of terminating contact with a lead when it doesn’t represent your ideal customer, otherwise you’re just wasting resources. The other question is what to do if the lead is not your potential customer *at the moment*. For example, a person is working in a company in your target segment, but is not ready to buy at the moment.
If this is the case, you should neither terminate lead nor pass it on to the sales team, but nurture it instead. There are a few links to great publications on this topic at the end of this guide.

What to avoid

Take it slow and don't forget about privacy

As you can imagine, a non-qualified lead is better than no lead at all. This is why you should avoid techniques that can be seen as intrusive or disruptive, like poorly designed and targeted pop-ups. You should take it slow and gather information gradually and gently, rather than trying to capture all the desired data at once. You have to remember that people who find your website annoying are not likely to return, let alone become customers.

The second important issue—don't forget about privacy. You probably don't need to ask your visitors about their religion, but sometimes age can be a valuable piece of information. If so, you can consider using techniques like suggesting age brackets, as people will be more likely to say that they belong to the 30–40 age bracket, rather than saying that they are exactly 32 years old. However, it's best to avoid asking such questions, as you don't want to be seen as a company that infringes on privacy.

Lead Qualification Toolbox

There exist many tools and techniques that you may use for lead qualification. The choice depends on your needs, preferences, and systems already in place. You should look for software that can be integrated with software used by your company to avoid chaos and ensure that all data is easily available and useful for both marketing and sales.

Forms

Forms are widely used by marketers to capture email addresses and other data in exchange for access to a piece of content. Thanks to that, you can find out a great deal, but only when the visitor fills out a form for the first time.

The problem is that most forms are not progressive—they ask for the same data again and again. Fancy software like Pardot can overcome this problem with progressive profiling of visitors. Fields change gradually as the person fills them out over time when they download additional pieces of content. The result is that you can collect a lot of useful data without distracting or annoying your visitors. The **drawback is that you gather insight only when the visitor wants to download something** and will not get any other feedback.

Lead Scoring

Lead scoring is the process of assigning a value to certain actions performed by prospects or customers. You decide that watching a webinar is worth X points, while reading a short post on the blog earns Y points. This sounds reasonable, but how do you assign a real value to those actions and how should you differentiate them? This is a problem without a universal solution.

The whole process is partially based on guessing and observations from the past. Well-conducted lead scoring should involve continuous updating of action values based on the behavior of users and the usefulness of the scores to the sales team.

Marketing Automation

This type of clever software tracks visitors on your website so that you know more about them. If they are registered users, it also takes care of mailing and its results. Using this gathered data, you can create segments of visitors and find out who is most likely to become your customers. Sales can use all the collected data to discover the needs of prospects, as well as their problems, so closing the deal is more likely.

The drawbacks are that you know what users do on the website and how they respond to mailing campaigns, but you don’t know why. Adding more qualitative feedback could improve the performance of marketing automation and the sales process.

3rd Party Data

You can use third-party data to enrich the profiles of your leads. A name and email address can help you access their social profiles and learn if they might become your customer. A simple LinkedIn profile can tell you a lot—the company, position, experience, and more. By checking the company, you can find out its size, industry, location, and so forth.

The drawback, of course, is that you first have to capture at least an email address or a name.

Email Surveys

Surveys sent via email are a basic and popular way of qualifying leads. They might be long, in order to get all the answers you need. The software is not a problem; you can even use free Google Docs.

The drawbacks, however, are that you need to first capture an email address and few users will complete the survey. In fact, only users who are really interested in your services will be likely to fill them out.

Website Insight Surveys

Website insight surveys are used to gather qualitative feedback and leads with widgets. The software allows you to profile visitors over time and build a profile of them. Consequently, you can find out what anonymous visitors expect from you, what their obstacles are, and so forth. Using the described CHAMP framework, you can gather a lot of data that is useful for sales. When the person leaves their contact details, you have a full profile of the visitor and can quickly decide if the lead is worth passing on to sales.

You can use widgets in one other interesting way—to guide visitors to content that they might like. A few basic questions will help you reveal what piece of content might interest them and the widget can redirect them there.

The drawbacks of website insight surveys include the response rate to widgets differing anywhere from 1–30%. This fluctuation depends on the quality of the survey itself and the characteristics of visitors. However, when you follow best practices (example here), you can expect a response rate of at least 5%.

Summary

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In summary, with new technologies, inbound marketers can easily implement lead qualification. It will ease the burden of the sales team and make your work more effective, which translates into higher revenue for the company. Inbound marketers can benefit themselves by discovering who they attract in order to tailor content to their needs.

Inbound marketers can use popular sales frameworks to qualify leads, as they are reliable, and use of the same framework by marketing and sales will make cooperation easier. The most effective tools for lead qualification are progressive forms and website insight surveys.

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Powered By G2 Crowd

Survicate

Review by Igor G.

★★★★★ 2014-11-04

Great solution ready to go

* quick and simple to implement
* gathering data better the way *
great companion to in-bound marketing and instant surveys

Read Full Reviews

Survicate allows you to easily engage specific groups of website visitors with insight survey, calls to actions and lead generation forms. Surveys uncover visitors needs, expectations, objections and characteristics. Calls to action guide them towards conversion or prevent from abandoning the page. Forms deliver leads with useful insights. Robust targeting capability make them unobtrusive and contextual which leads to high response rate.

Integrations with platforms like HubSpot, Mailchimp, GetResponse, and ActiveCampaign further improve information flow to make marketing and sales activities more effective.

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THANK YOU

Headquarters:
Chmielna 73B, Warsaw, Poland
Sales: +1-209-890-8426
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www.twitter.com/survicate
https://www.facebook.com/Survicate
Email: hello@survicate.com

Resources:
Holger Schulze B2B: Lead Generation Report 2103
(http://www.slideshare.net/hschulze/b2-b-lead-generation-report-2013)
Annuitas: B2B Demand Generation Survey 2014
(http://go.annuitas.com/l/16732/2014-11-05/dd3lr)

More about lead nurturing:
http://www.marketo.com/definitive-guides/lead-nurturing/
http://www.pardot.com/nurturing-lab/
http://blog.hubspot.com/marketing/topic/lead-nurturing

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