GET MORE CUSTOMERS!

How to Build an Outbound B2B Lead Generation Team that Drives Sales

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Foreword

Brian Carroll
Executive Director,
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In May 2012, MECLABS, the company for which I serve as Executive Director, Revenue Optimization, released its annual MarketingSherpa Lead Generation Benchmark Report. It revealed interesting trends and statistics about the world of lead generation, one of which stood out in particular: Driving high-quality leads, the report's more than 1,900 respondents suggested, remains B2B companies' number one business challenge.

Of course, that revelation wasn't exactly groundbreaking news to us at MECLABS, and I doubt sales and marketing managers are shocked by it either. After all, driving high-quality leads has been named the top business challenge in each of our last three annual lead generation benchmark reports, and it's long been a challenge for companies attempting to fuel efficient growth.

The truth is, lead generation isn't easy for any business — let alone companies that don't possess the brand recognition and market traction of their bigger competitors. The good news is that, in many cases, a well-executed outbound prospecting program can make lead generation less daunting than it seems.

Done right, outbound lead generation can help lower costs, reveal valuable market intelligence, and allow you to vet prospects before they move too far along your sales process. But those benefits can only be harvested if outbound lead generation is right for your business, and if you give it the attention it deserves in your funnel-building process.

OpenView's eBook, "Get More Customers! How to Build an Outbound B2B Lead Generation Team that Drives Sales," will help you determine if outbound lead generation is right for your organization. If you're a current or future outbound lead generation team manager at an expansion-stage B2B technology company that has a direct sales organization, this eBook will help you:

» Understand what outbound lead generation is and why it's important

» Learn the components of a successful outbound lead generation implementation

» Improve your outbound approach and process

» Explore the various technologies available to sales managers and how to utilize it effectively to manage the outbound lead generation process

This eBook focuses heavily on small — but crucial — adjustments you can make to your team's productivity, efficiency, and effectiveness. Test these insights and ideas and move forward with those that drive the most opportunity and revenue. At MECLABS, we believe that marketing is a science that must be tested: There are no expert marketers, only expert testers. By knowing what produces strong results on a smaller scale, you can move forward with confidence on a larger one.

This eBook has everything you need to create and manage outbound lead generation efforts that get results. In fact, I can reasonably hypothesize that after you read this eBook, your company will no longer be among the businesses that list lead generation as their primary business challenge.

Are You Ready to Build an Outbound B2B Lead Generation Team?

Outbound B2B lead generation is a direct marketing channel through which designated members of your sales or marketing organization proactively reach out to target buyers within your target segments. The objective is to make these targets aware of your value proposition, interest them in your solution, and ultimately ensure that they are open to a call or meeting with a member of your sales team to further explore your solution.

In its simplest form, outbound lead generation for B2B companies consists of two primary activities:

1. Compiling a list of companies and people that you believe are the best target prospects for your company's products and services.

2. Proactively reaching out to your targets through a series of touch points (phone calls and corresponding e-mails) with the goal of getting your target buyer live on the phone to identify whether or not he or she indeed has a pain that your solution can solve.

The direct output of those activities is a list of qualified leads or sales opportunities for your sales team. An indirect output is the immense insight your outbound lead generation team will gain into your target market and prospects, which will help you refine your targets and messaging.

The Prerequisites to Building an Outbound Lead Generation Team

Many companies are quick to jump the gun when launching an outbound lead generation team. They often overlook the fact that it takes a great deal of time and preparation to build a team, not to mention the resources and systems that need to be in place for it to be successful.

Before launching such a team, senior management must see value in the initiative, and understand the roles involved and the resources required. Additionally, that group must have realistic expectations about what the team will contribute toward the business and in what time frame. Make sure that you can answer each of the questions below before building your own outbound lead generation team.

Do you understand your target market segments ❓

As with most aspects of business, the more focused your efforts are, the better the outcome will be. Likewise, when you try to do too much, you risk winding up achieving nothing. These truisms also apply to outbound lead generation: Teams that are not given the proper training and focus from the outset are typically much less successful.

One of the most important things that your team will need to be trained and focused on is your target customer segment. Your products will not be everything to everyone, and the same product may provide different value for different types of companies. In other words, it's likely that your value proposition will differ from one segment to another. Your competition also may vary in different target segments, as will your partners.

Understanding your target market segment means knowing:

» Your top customer segments (the fewer, more narrowly defined, the better)

» Your key competitors within each segment

» Each segment's unique needs and pain points that your product addresses

» Potential partners within the segment ecosystem who you can leverage and reference

» Potential supplementary and complementary solutions within the segment ecosystem that you can leverage and reference

» Which narrowly defined criteria will allow you to generate a target list of companies within your target market segment

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ARE YOU READY TO LAUNCH YOUR
LEAD GEN TEAM?

6 QUESTIONS TO ASK
BEFORE YOU DO

Check out OpenView's infographic, which asks all of the tough questions you need to answer to find out if you are ready for a lead generation team.

Having this basic knowledge and institutionalizing it within your sales and marketing organization is essential to quickly and efficiently launch — and then scale — an outbound lead generation team. If you don't have this information for your company and product, you should conduct a market segmentation analysis to better understand each of the items listed above prior to launching a team.

Can you clearly define your buyer profiles ❓

Once you identify and understand your target market segment, you must also identify the key people who will be involved in the buying process at each company within this segment. Though their titles will vary, you will typically find that the people involved in the buying process have similar roles, needs, and goals, as well as motives to speak with you and purchase your product. Collecting this information will allow you to create profiles for your buyers, which can be extremely valuable for sales and outbound lead generation.

Buyer profiles are commonly used in marketing, product development, and product management to provide employees with a tool to personify the audience for whom products are being developed and marketed. To be effective, your team must understand which profiles are involved with a typical deal, what roles they play, who they typically report to, and what their goals and pain points are as related to your product.

If you are reading this eBook as a lead generation team manager, this information is necessary for developing the right messaging and call scripts for each profile in a given segment. By learning these profiles and their corresponding roles, needs, and goals, your team will be much more effective at delivering the right message and quickly building rapport with prospects.

Need to perform a market segmentation analysis before launching a lead generation team? Check out "Finding Your Best Customer: A Guide to Best Current B2B Customer Segmentation."

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Have you considered everything it takes to build a team

?

One reason why outbound lead generation teams can be so powerful is that they sit at the intersection of sales and marketing. A great team will have the volume and succinct messaging that marketing delivers to hook a prospect, while also providing the one-on-one human touch that marketing e-mails and collateral simply cannot.

As a result, responsibility for leading such a team can fall somewhere between sales and marketing, putting the team at risk of becoming bastardized and/or neglected. To avoid this common pitfall, it is critical that prior to launching a team, management considers who will coordinate and manage all of its essential components. That includes everything from hiring team members and developing training materials, to basic logistical issues such as finding a work space for the team and building your first list of leads.

While it's not essential to have all of these tasks completed beforehand, you need to consider all aspects of launching a team and know who will be responsible for coordinating the different moving parts. Having clarity around who will be responsible for managing these basic tasks will help your team quickly become productive.

Does your manager have the bandwidth to lead this team

?

In addition to launching a team, you also have to manage it on an ongoing basis. While launching the team requires planning, coordination, and project management skills, managing it also takes people skills. The team's manager will have a lot on his or her plate between coaching, sitting on calls, refining training materials, motivating the team, conducting regular one-on-one reviews with each team member, and working with sales and marketing counterparts.

In some cases, someone in sales or marketing is assigned this role in addition to his or her regular responsibilities. If the team is small enough (fewer than four people), this can work. However, if the manager does not have enough bandwidth, his or her regular work typically suffers or the team does not get the attention it needs to be successful.

When there are four or more outbound lead generation reps, managing the team is a full-time job. Before launching a team, always consider who will be responsible for managing the people and the initiative. In addition, decide whether to hire externally or promote from within. If it's the latter, make sure that the person has the bandwidth to do the job effectively.

Does an Outbound Lead Generation Team Make Sense for You?

If you have read this far, you are probably either considering building an outbound lead generation team or at least see value in one. It's important to note, however, that having an outbound lead generation team isn't always the best way to build your sales pipeline. In fact, in some cases it's not the right approach at all.

The most important factors to consider when evaluating whether or not an outbound lead generation team makes sense for your business are the complexity of the sale and the lead generation economics.

Complexity of the Sale

Factor #1

The complexity of a sale is based on a number of factors, including the average sale price (ASP), the average sales cycle (ASC), and the number of people and touch points required to close the sale.

A complex sale typically requires multiple touch points just to get a call or meeting with the right decision-makers. It also often requires calls with multiple people who play different roles in the buying process, such as the technical evaluator, influencer, user, business decision-maker, and financial decision-maker. Such buying processes typically take more than 30 days, and are common in situations where the ASP exceeds the amount that the decision-maker has authority to sign off on without additional approvals. This type of sale is often referred to as an enterprise sale.

Because procurement processes and approval thresholds can vary greatly across products and markets, it's difficult to determine a threshold for ASP and ASC with regard to deciding whether to launch an outbound lead generation team. However, a good rule of thumb is that when the ASC is greater than 30 days and the ASP of an annual contract is greater than $25,000, it is almost always a complex sale.

In complex sale scenarios, sales reps carry fewer opportunities in their pipeline and spend more time focusing on them to increase their chances of winning. This means they have less time to dedicate to prospecting and building new pipeline. In such instances, having an outbound lead generation team that qualifies and sets up initial calls with the sales team can be hugely beneficial.

By contrast, a non-complex sale is typically much more transactional and is characterized by shorter sales cycles, lower ASPs, fewer decision-makers, and fewer touches. If the ASC is less than 30 days and the ASP is low enough that your buyers can make a decision without needing additional approvals, then you likely do not need an outbound lead generation team. For smaller deals with shorter sales cycles, the hand-off of leads between the lead generation and sales teams can overcomplicate things and turn prospects off. In non-complex sales scenarios, your sales reps should be able to balance their time between doing their own prospecting, pipeline management, and closing deals.

Factor #2

Although many companies at the expansion stage do not have a scalable economic model, your company's lead generation economics are an important factor to bear in mind. Consider the following hypothetical example:

If your marketing team has an annual budget of $1 million and generates 500 opportunities, your cost per marketing-generated opportunity is about $2,000. An outbound lead generation rep typically costs between $80,000 and $100,000 per year including salary and benefits. At that rate, even if a lead generation rep finds only two opportunities per week, you could generate nearly the same number of opportunities at less than half the cost.

Marketing	
Budget	$1,000,000
Marketing-Generated Opportunities	500
Cost/Opportunity	$2,000

Outbound Lead Generation Team		
Budget		$450,000
Cost Per Rep (total compensation)	$ 90,000	
Outbound LGR-Generated Opportunities		480
Opportunities/rep/year	96	
Lead Generation Reps (LGR)	5	
Cost/Opportunity		$937.50

In this example, if your ASP is $25,000, then your outbound lead generation team should generate $12 million in pipeline opportunities. This calculation makes it easy to justify the $450,000 cost of the team with a pipeline that's 26 times bigger than the investment. You can also further estimate the team's return on investment by factoring in your average win rate.

In addition to sales complexity and lead generation economics, you must also consider the derivative benefits of having an outbound lead generation team. Outbound lead generation isn't just about opportunity creation. It also allows you to capture value points and objections from potential buyers and to test new messaging and pitches with immediate, actionable feedback.

That intelligence can help you fine-tune your sales, marketing, and product development efforts to be much more focused on the prospects in your target market segment, which inevitably makes every component of your organization more focused. Having a high volume of direct touches and conversations with prospects can also help companies increase brand awareness in their target market. These additional intangible benefits can be incredibly valuable for expansion-stage companies looking to increase awareness, market share, and their own understanding of their prospects and target markets.

Ultimately, the decision about whether to launch an outbound lead generation team should be based on a cost-benefit analysis, taking into consideration the complexity of the typical sale, lead generation economics, and the additional benefits that result. If your product requires a complex sale, and the economics are sound, then building an outbound lead generation team will definitely make sense.

Who Plays a Role in Building and Maintaining an Outbound Lead Generation Team?

When launching any new team or initiative, having executive buy-in and commitment is essential. Building an outbound lead generation team is a huge commitment of time and resources, and if the CEO isn't on board with the allocation of resources, as well as the goals and expectations, implementing a team could be disastrous.

While the CEO and other top executives likely will not have time to get involved in the details of building and maintaining an outbound lead generation team, it's important to keep them all abreast of, and onboard with, your efforts. The CEO can often be helpful by resolving impediments that may arise along the way. And, because CEOs (particularly co-founding CEOs) are the true stewards of the company's brand, they can often add great insight into the buyer personas and messaging being used in targeted campaigns.

Outside of the CEO and senior management (including the VP of sales and the VP of marketing), there are generally two key roles in an outbound lead generation initiative: the outbound lead generation manager, and the outbound lead generation rep.

If the team consists of three or fewer outbound lead generation reps, a director or VP-level member of your sales or marketing organization could potentially handle the team's management. If your team has more than three reps, however, it is essential to hire a manager whose sole job is to oversee the operation. Outbound lead generation managers typically have a lot on their plate — everything from hiring and training to campaign preparation and management, collaborating with the marketing team, and coaching. Another of the outbound lead generation manager's responsibilities is to ensure transparency and visibility into the team's performance — both good and bad — to key stakeholders within the business. It's not an easy position.

Though this role is often seen as junior and/or insignificant, the truth is that it requires a great deal of skill and incredibly thick skin. This eBook offers some best practices to help build and refine those skills, and help outbound lead generation reps become more productive, efficient, and effective. An outbound lead generation role is really about execution, focus, time management, and follow-up, which will ultimately result in qualified leads for the sales reps, bolstering their pipeline.

There's a Time and Place for Outbound Lead Generation

As this chapter has shown, outbound lead generation is not right for every expansion-stage company. In fact, even if the complexity of your sale or your lead generation economics align with outbound lead generation, that doesn't mean your business is ready or prepared to fully execute it.

To be truly successful, expansion-stage companies must closely examine several factors — including their sales process, buyer profiles, and team structure — before creating and implementing an outbound lead generation team. Failing to do so could result in wasted time and resources on an initiative that might ultimately bring very little value to the business.

Of course, if it's obvious that outbound lead generation could add significant value to your sales organization, then by all means move forward with it. The next chapter explores the factors that need to be considered as you plan your outbound lead generation implementation, shares tips for recruiting and building an ideal outbound team, and provides a framework for developing an outbound lead generation process.

"Some people think that outbound prospecting is a waste of time, and if you're just dialing for dollars or always calling to 'touch base' or 'check in,' then it is. However, if you put some thought into it, develop a simple but effective process, and do research to ensure you always have a different 'reason for your call,' then outbound prospecting can be one of the more effective ways of finding new opportunities."

John Barrows
Owner, JBarrows.com

Getting Ready to Build an Outbound B2B Lead Generation Team

If you have reached this point, you have probably determined that an outbound B2B lead generation program could benefit your business and that you are ready for everything that implementing one entails. The obvious next step is execution. In this chapter, we cover several factors that you need to consider before launching your initiative, including the:

» Dynamics of outbound lead generation and how they relate to your model

» Goals and expectations that make sense for your business and its team

» Appropriate team size and structure to align with your company and target market segment

» Ideal qualities and skills that your lead generation reps should possess

» Best strategies for recruiting, onboarding, and training new lead generation reps

Understanding Your Model, Setting the Right Goals and Expectations

Once you decide to implement an outbound lead generation team, you need to set a specific organizational goal for it. For example, that goal might be to generate 50 percent of the new business pipeline. If the plan for next year is $10 million in new business bookings, and your win rates historically are around 25 percent, then your new outbound lead generation team will have to generate a $20 million pipeline for next year to reach your target of $5 million in new business bookings.

This example illustrates what a good, high-level goal could look like. However, unless you fully understand the dynamics of how outbound lead generation works to generate pipeline, and ultimately revenue, it will be difficult to set expectations within your organization and goals for your new team. When getting started, there are a couple of different dynamics that you should take into consideration.

Sales activity funnel

The first dynamic you need to understand is your sales activity funnel. That is, if the goal is to get to a $20 million pipeline, based on your average deal size and conversion rates, how many calls, conversations, appointments, and opportunities will you need?

$20 million goal

SALES FUNNEL	Opportunities Created	Pipeline	New Customers	Expected Y1 Run Rate
Monthly	35	$1,666,666	9	$416,666
Quarterly	106	$5,000,000	27	$1,250,000
Annual	426	(7.) $20,000,000	107	(1.) $5,000,000
Average Deal Size	(2.) $47,000			
Average Win Rate	(3.) 25%			

ACTIVITY FUNNEL	Calls	Conversations	Appointments	Opportunities Created
Daily	(4.) 205	25	4	1.8
Weekly	1,026	123	21	9
Monthly	4,043	485	(5.) 82	(6.) 35
Quarterly	12,128	1,455	247	
Annual	48,510	5,821	990	
Average Conversion	(3.) 12%	(3.) 17%	(3.) 43%	

FREE DOWNLOAD

To learn more about conversion rates and other sales benchmarks, download OpenView's free report, "Measuring Up: 9 Benchmarks that Can Help Expansion-Stage Companies Build a Scalable Sales Machine."

This table works backward starting from number 1, the ultimate goal of generating $5 million based on the inputs for average deal size (number 2), and conversion rates (number 3) in the green boxes. In this example, the average deal size is $47,000 and the average opportunity win rate is 25 percent.

Understanding this formula will provide realistic expectations of what can be accomplished and help you determine how many reps you will need to hire and what their goals should be. This model says that your lead generation team must be able to make 205 calls per day (number 4) to generate 82 appointments per month (number 5), which should result in 35 opportunities (number 6). Assuming your average deal size is $47,000, those opportunities should generate about $20 million (number 7) in pipeline per year, which should translate into $5 million (number 1) in revenue if the model holds true once you set up your team.

If you are building a new outbound lead generation team from scratch, you may not know your conversion rates. In that case, use both qualitative and quantitative data from your current sales team to get some sense of what a realistic conversion rate might be for each conversion point. You can also look at industry benchmarks from a variety of sources, including consulting firms such as CSO Insights, Sales Benchmark Index, or The Bridge Group. Note, however, that conversion rates can vary drastically depending on the market that you are calling into and the profiles that you are targeting, among many other variables.

Timing

One factor not mentioned in the above sales activity funnel is time. Even after you have plugged all of your numbers into the model, and you know how many reps you will need to hire, do not forget that generating qualified opportunities and revenue takes time. Sales leaders' expectations of time-to-revenue from a new lead generation team are often unrealistic.

To estimate how long it will actually take to start generating a consistent pipeline and revenue, consider the following factors:

Time to hire

If you are starting from scratch, consider that it typically takes five to seven weeks to find and hire two or three good lead generation reps.

New hire ramp time

A new lead generation rep will not automatically start off hitting his or her daily and weekly goals. Ramp time to reach full productivity (i.e., consistently hitting goals) can vary greatly from company to company depending on the complexity of the product, target market segment, target prospect personas, and the amount of resources that you apply toward training your new reps. According to a recent report from The Bridge Group, the average time to full productivity for a new lead generation rep was 3.1 months.[1]

Time to opportunity

This refers to the average amount of time elapsed from when a lead generation rep first starts calling a contact to when that contact can be marked as a qualified opportunity (i.e., hits the pipeline). You can also measure time to response, time to appointment set, time to appointment completed, and time to opportunity. Choosing just one or two metrics simplifies the formula.

Average sales cycle (ASC)

As previously noted, ASC is the average amount of time from when an opportunity is created to when an opportunity is closed. You should know this already if you have a sales team. If your sales team and process are not very mature, sales cycles can sometimes slow down when a new outbound lead generation team comes onboard. That typically happens because sales reps get overwhelmed, and/or because they may be used to working on inbound opportunities that were further into the buying process when they became engaged.

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[1] The Bridge Group, Inc., "Lead Generation Metrics & Compensation Report for B2B Technology Companies," 2012.

A hypothetical example might look something like this:

	DAYS	MONTHS
AVERAGE TIME TO HIRE	42	1.4
AVERAGE REP RAMP TIME	93	3.1
AVERAGE TIME TO OPPORTUNITY	29	1.0
AVERAGE SALES CYCLE	142	4.7
TOTAL TIME TO CONSISTENT REVENUE	264	9.0

In this example, it will take nine months before consistent revenue is being generated by a new lead generation team's efforts.

In the example described on page 13 — where the goal for the new lead generation team is to generate $20 million in pipeline opportunities for the current year — you would need to have started recruiting your team in April of the previous year in order to reach your goal.

Doing these calculations ahead of time allows you to plan accordingly and manage expectations, which is absolutely critical to outbound lead generation success. If you are just starting to think about setting up a team like this, use these two concepts to set your own expectations for when a consistent pipeline and revenue stream will start materializing.

"Sales and marketing leaders are making a strategic investment in their hiring process, but then risk undermining it with a tactical and disorganized onboarding process. If you can shorten your new hire ramp time by even just 30 days, your time-to-revenue numbers would improve significantly."

Trish Bertuzzi
President and Chief Strategist,
The Bridge Group

Getting the Size and Structure of Your Team Right

Now that you have a framework for understanding your team's activity, goals, and ramp-up time, you should start thinking about how many reps you will need to hire and how you will organize them.

If you already have an outbound lead generation team, the information below will help you to evaluate whether or not your team's size and structure makes sense for your company and its target market segments. How your team is organized and what market segments it will focus on can have a significant impact on its ability to penetrate the market and consistently generate pipeline.

Team Sizing and Market Coverage

There are many approaches you can take to determine the right number of reps you need. However, two stand out as the most rational for getting started: the pipeline-based approach, and the market coverage-based approach. Both are consistent with the overall goals of any outbound lead generation initiative, which are to create pipeline and penetrate new markets. Additionally, they can be used simultaneously to help you make your final decision on how many reps to hire initially, and as your team scales.

Pipeline-Based Approach

Approach #1 In the pipeline-based approach, your goal is to build a team that will have the capacity to achieve the ultimate objective of building pipeline. The best way to estimate required capacity is to use the aforementioned sales activity funnel to calculate the number of calls or activities your team will need to make to hit that goal.

ACTIVITY INPUTS	
Avg. Call-to-Conversation Conversion Rate	12%
Avg. Conversation-to-Appointment Conversion Rate	17%
Avg. Appointment-to-Opportunity Conversion Rate	43%
Daily Call Target/Rep	50

ACTIVITY		
	CALLS	CONVERSATIONS
Daily	202	24
Weekly	1,011	121
Monthly	4,043	485
Annual	48,510	5,821

PIPELINE BASED SIZING INPUTS	
Annual Bookings Target	$5,000,000
Annual Pipeline Target	$20,000,000
Average Deal Size	$47,000

TEAM SIZING AND COVERAGE	
	RECOMMENDATION
Estimated Conversations/Year	5,821
Number of Reps	4
Number of Accounts/Rep	105

If you consider the example used in the sales activity funnel template on page 13, your lead generation team must be able to make 205 calls per day to generate 82 appointments per month, which should result in 35 opportunities. If an average outbound lead generation rep makes about 50 calls per day — the industry average according to The Bridge Group's study — then you will need about four reps on your team to reach your goal.[2] This also means that each rep can generate about $5 million in pipeline per year, which should result in $1.25 million in revenue per rep if the model holds. Not bad considering the average cost for one lead generation rep is less than $100,000.

Market Coverage-Based Approach

Approach #2 The first chapter of this eBook explained that before you launch your team, you should have identified your target market segment and the target buyer profiles within it. Having done that, you can estimate the number of conversations required to effectively cover your target market with the right number of touches. By using similar logic to what's described above, you can apply the same estimate for the number of calls and activities that one rep will be able to complete to determine the number of reps you will need to cover the market.

For example, let's say there are 1,000 companies in your target market segment with three target buyer profiles at each company, and your outbound process calls for a conversation with each target buyer once per quarter. That means your team will need to have 12,000 conversations per year to cover the entire segment.

If your call to conversation conversion rate is 12 percent and your reps can make 50 calls per day, then one rep will be able to have roughly 1,440 conversations per year.

ACTIVITY INPUTS	
Avg. Call-to-Conversation Conversion Rate	12%
Daily Call Target/Rep	50

TARGET MARKET SIZING INPUTS	
Companies	1,000
Buyer Profiles	3
Conversations/Buyer/Year	4

ACTIVITY	CALLS	CONVERSATIONS
Daily	417	50
Weekly	2,083	250
Monthly	8,333	1,000
Annual	100,000	12,000

TEAM SIZING AND COVERAGE	RECOMMENDATION
Estimated Conversations/Year	12,000
Number of Reps	8
Number of Accounts/Rep	120

[2] The Bridge Group, Inc., "Lead Generation Metrics & Compensation Report for B2B Technology Companies," 2012.

That means that each lead generation rep will effectively be able to manage about 120 accounts at any given time. With this calculation, you would need to hire a team of eight or nine outbound lead generation reps to cover the entire market.

It is not uncommon for these two approaches to come up with very different answers for the team's size, but neither is right or wrong. Both approaches help inform your ultimate decision, which will be based on your organization's priorities, goals, and budget.

Team Reporting Structure and Alignment

Now that you have a framework to determine your team's goals and size, you will need to consider how you are going to organize the team. B2B technology companies' lead generation teams typically report to either sales or marketing.

Among teams with a heavy focus on outbound lead generation, 81 percent report to sales, while 19 percent report to marketing.[3] There are pros and cons to both. Regardless of which department a team reports to, when executed well, outbound lead generation should serve as a bridge between sales and marketing.

Your outbound lead generation team has a direct line to prospects at different stages in the buying cycle through which they can test messaging and gather insights into whether or not those messages are resonating with prospects. The best outbound lead generation teams will work very closely with sales and marketing to continue refining the messaging in a coordinated fashion. They will also develop close relationships with the sales reps they support, especially in more complex sales environments.

There are a number of ways to organize your team, each with its own advantages and disadvantages. The following pages outline three common reporting structures.

"Whether the lead generation team reports to the head of marketing or sales is best determined by which leader is more passionate about making it a success!"

Aaron Ross
Author, "Predictable Revenue"

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[3] The Bridge Group, Inc., "Lead Generation Metrics & Compensation Report for B2B Technology Companies," 2012.

Reporting Structure 1

VP SALES

VP MARKETING

Sales Manager 1

Sales Manager 2

Lead Generation Team Manager

Events

Content

Sales Reps 1a

Sales Reps 1b

Sales Reps 2a

Sales Reps 2b

Lead Gen Reps 1a

Lead Gen Reps 1b

Lead Gen Reps 2a
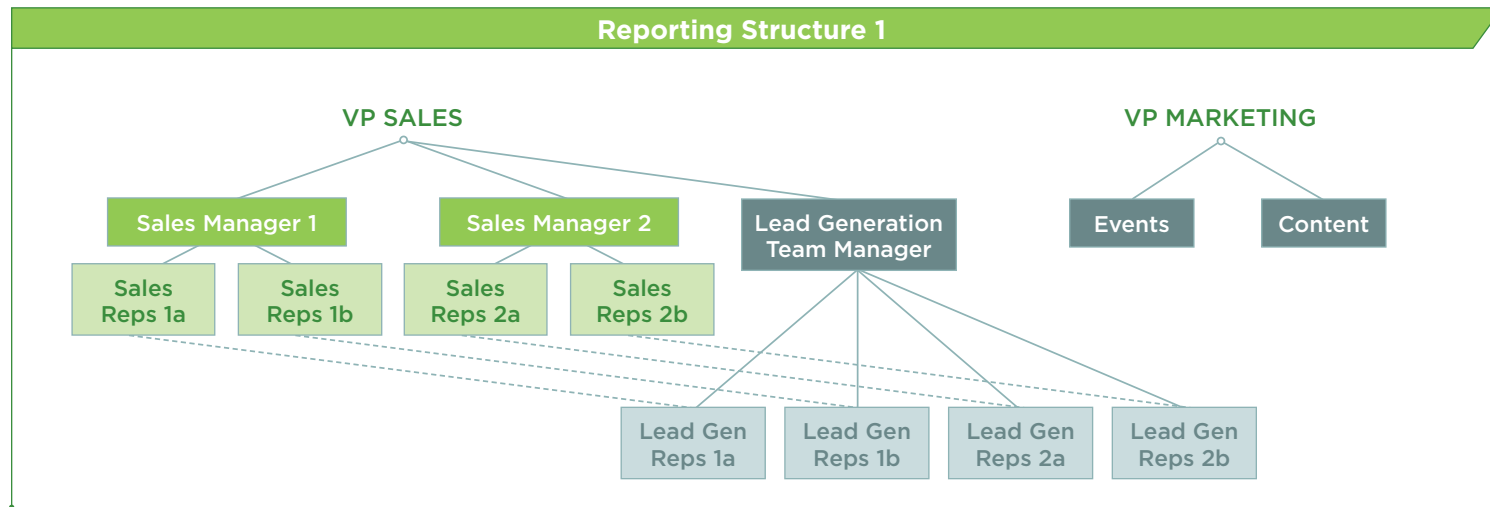
Lead Gen Reps 2b

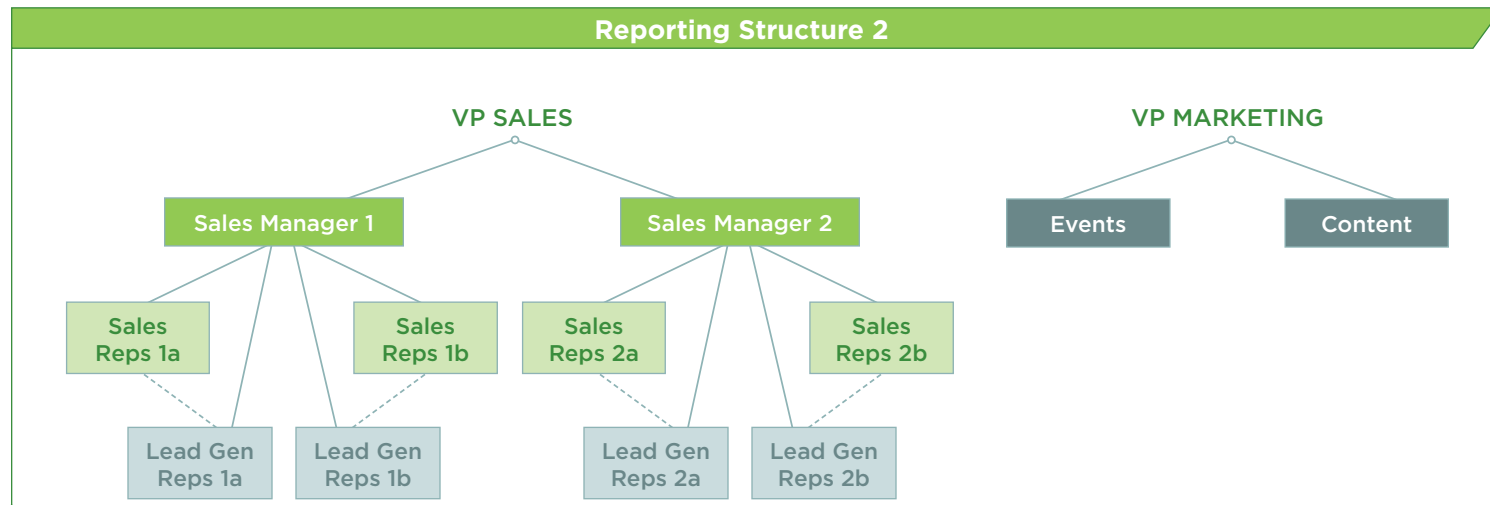The lead generation manager reports to the VP of sales; the lead generation reps report directly to the lead generation team manager with a dotted line to the sales reps they support. This organizational structure aligns the lead generation team more with sales than marketing.

Pros

» Very supportive structure for the lead generation team because there is a dedicated manager focused on managing the team and its development.

» The dedicated manager can also act as an effective buffer to the team from distractions and can help drive the removal of impediments to their success (such as sales reps not following process).

» Having a dotted line to the sales reps fosters collaboration, learning, and development for the lead generation reps individually and as a team.

Cons

» Having a lead generation manager will make the team more expensive, which some companies may not be able to afford.

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Reporting Structure 2

VP SALES

- Sales Manager 1
  - Sales Reps 1a
    - Lead Gen Reps 1a
  - Sales Reps 1b
    - Lead Gen Reps 1b
- Sales Manager 2
  - Sales Reps 2a
    - Lead Gen Reps 2a
  - Sales Reps 2b
    - Lead Gen Reps 2b
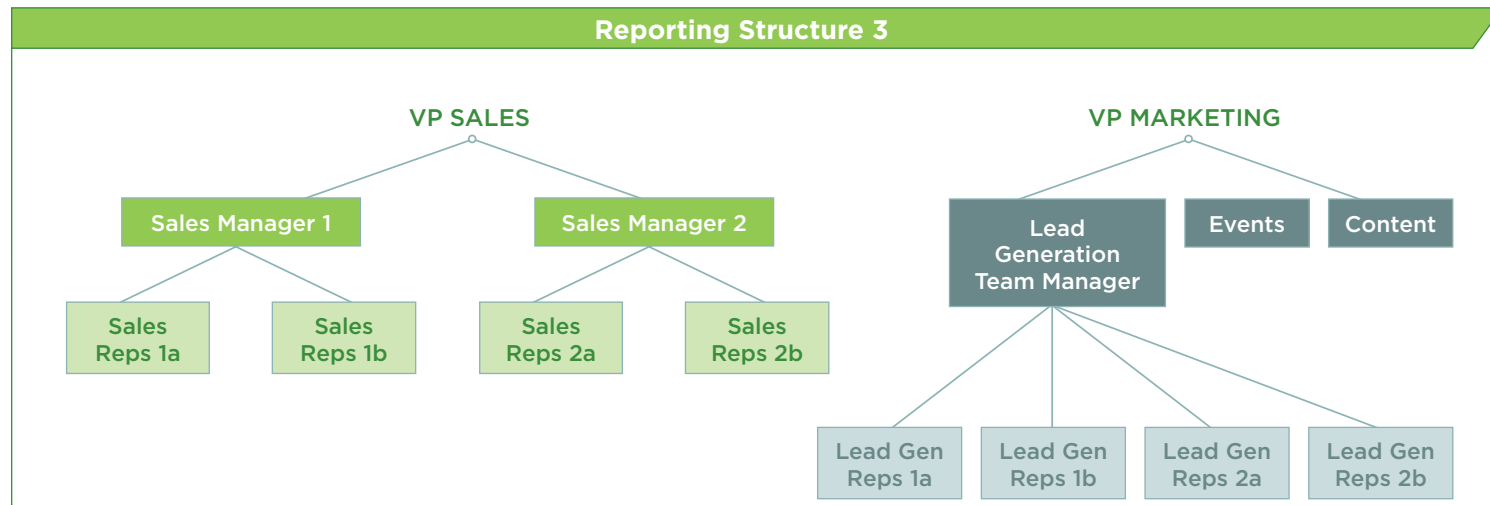
VP MARKETING

- Events
- Content

The lead generation reps report directly to the sales manager with a dotted line to the sales reps they support. There is no lead generation manager. This reporting structure divides accountability for lead generation and managing the lead generation team among each of the sales managers.

Pros

- » Can be a great structure for sales teams that are divided into specialized groups by geography or vertical.

- » Conducive to intra-team planning and collaboration, which will help each group get even more specialized, increasing organizational knowledge and yielding better results.

- » Similar to the first reporting structure, it also includes a dotted line to the sales representatives being supported so that those bonds can form firmly.

Cons

- » Can be a risky approach if you have less experienced sales managers. Will add management responsibilities that inexperienced managers may write off as low priority. That could result in their not paying close enough attention to developing the individual lead generation representatives so as to improve their performance.

- » Less conducive to inter-team collaboration by lead generation representatives, so extra effort will be needed to disseminate best practices and maintain consistent processes across teams.

- » Tends to be the structure that is most insulated from the marketing team. As a result, it will take extra work on the part of both marketing and sales management to make sure that feedback from the lead generation team is being communicated, and that lead generation reps are on message from a corporate and specialized team perspective.

Reporting Structure 3

VP SALES

- Sales Manager 1
  - Sales Reps 1a
  - Sales Reps 1b
- Sales Manager 2
  - Sales Reps 2a
  - Sales Reps 2b

VP MARKETING

- Lead Generation Team Manager
  - Lead Gen Reps 1a
  - Lead Gen Reps 1b
  - Lead Gen Reps 2a
  - Lead Gen Reps 2b
- Events
- Content

The lead generation manager reports directly to the VP of marketing and the lead generation reps report directly to the lead generation manager. This reporting structure is very similar to the first one, except that it reports into marketing. While there is a clear distinction between structure and goals, this organizational structure only makes sense for companies in which marketing is accountable for a larger share of the total pipeline.

Pros

» Closely aligned with marketing and most conducive to collaboration between the lead generation team and the marketing team. Provides a great way to bridge the gap between sales and marketing.

» Typically more effective when dealing with a higher volume of lower-value opportunities because they typically require less coordination in the hand-off of qualified leads from marketing to sales.

» While Structure 3 does not show dotted-line connection to the sales reps, you could add that to this structure to improve collaboration between the lead generation team and the sales reps they support.

Cons

» You need to be clear on what the team's role is. It is easy to fall into the trap of using a trained lead generation team as an engine to drive traffic to events and webinars. Like sales reps, lead generation reps should leverage marketing events as a way to get into their target accounts, but that shouldn't be their primary focus.

Recruiting the Ideal Outbound Lead Generation Rep

A company's people are its most valuable assets and, as such, hiring the wrong inside sales people can cost an average of $1.3 million to $2.6 million.[4] A bad hire for one of your first few lead generation reps with a base salary of $50,000 could cost you $150,000 to $300,000 in money, resources, and opportunity costs. To avoid making such a costly mistake, you must first understand what your ideal candidate looks like. Then you can develop a process to find them and minimize your chances of mis-hiring.

The Profile of the Ideal Candidate

The ideal candidate profile for an outbound lead generation rep role will vary based on a number of factors, including your products and services, the market and the people that you're selling to, your company's unique capabilities and resources, and, maybe more than anything else, your company's culture.

All of these factors should be taken into consideration when developing the ideal candidate profile for your search. However, based on OpenView's experience working with expansion-stage technology companies that sell B2B software, the best candidates tend to share the following characteristics. They:

» Are early in their sales careers (1–2 years of sales, prospecting, or recruiting experience, preferably over the phone, and are not afraid of or turned off by making a lot of phone calls)

» Have a background or interest in your product and/or market (they don't need to have years of experience in the industry, but you want to them to be excited and passionate about what they are selling)

» Have excellent verbal and written communication skills

There may also be some other core qualifications and characteristics that are more specific to your organization. If you identify and use them as a benchmark when you recruit, hire, train, and manage your sales staff, you will stand a far greater chance of building a highly productive outbound lead generation organization.

If you already have an outside lead generation team, one exercise for identifying these characteristics is to create a list of your reps and rank them from best to worst. Next to each person's name, write down the characteristics they have that make them either successful or unsuccessful. You will notice some traits that your top performers share, and that your worst performers do not possess at all.

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[4] Estimate of Kevin Gaither, president of the Los Angeles Chapter of the American Association for Inside Sales Professionals. Calculated by applying the "Cost of Mis-Hire Multiple" to an average inside sales team of 14 people making base salaries of $63,000.

Dr. Chris Croner, Principal at SalesDrive, an established sales testing organization, has identified one core trait in particular that the best candidates almost always possess. He calls it "drive," and it has three core components:

A Need for Achievement

This characteristic is personified by the desire to work tirelessly in pursuit of a goal. Tiger Woods' hunger for greatness is a perfect example. He makes tens of millions of dollars every year and could easily put his career on cruise control. Instead, he spends millions on coaches and advisors, and practices like a hungry rookie rather than a satisfied veteran. This is not to be confused with the need for approval, which is actually an undesirable trait for most sales positions.

Competitiveness

This trait is marked by a person's unquenchable thirst to outperform and an incredible will to win, and it does not need to be isolated to the work environment. It could be illustrated by a candidate's admission that she can't stand to lose a game of Monopoly with friends, or that she turns everything — from swimming laps in the pool to raising money for charity — into a competition.

Don't confuse athleticism with competitiveness and hire NCAA Division I athletes presuming that they will be naturally competitive because they were superior athletes. There's not necessarily a correlation. Great athletes are sometimes successful because they are naturally talented, not competitive.

Optimism

This trait is one of the most important drivers of inside sales success, yet sales leaders often overlook it. The reality is that outbound lead generation reps — regardless of their roles or responsibilities — must deal with frequent rejection and adversity. If they lack the optimism to overcome those hurdles, they are not likely to last very long.

The best outbound lead generation reps are certain that they will not be denied. For instance, when a prospect hangs up on or berates an outbound lead generation rep, how does he respond? Does he laugh, go to the next phone number on his list, and keep calling? Or does he get angry and sulk in the corner?

These three intangible qualities can be somewhat difficult to detect. However, Kevin Gaither, president of the Los Angeles Chapter of the American Association for Inside Sales Professionals, suggests some great interview questions you can ask that might reveal whether or not a person has them. It's important to remember, however, that the three characteristics listed above are indicators of potential success, not guarantors. You might find a candidate who displays each of these characteristics yet is not a great fit for the role at your company. She might lack the requisite experience; he could have a glaring weakness that's difficult for you to overlook. Ultimately, you need to use the information above in context. It should inform your hiring decision, not make it for you.

Interviewing Tips

Once you have narrowed your applicants to a pool of candidates to interview, you will need to establish a rigorous multi-step interview process. A good interview process for an outbound lead generation rep includes at least two phone interviews (since they will primarily be engaging with prospects over the phone) and at least one in-person interview. During the in-person interviews, the candidate should meet with the hiring manager as well as a few of the relevant team members, such as a sales rep and another member of the outbound lead generation team.

Before you start interviewing, make sure that everyone involved is clear on the requirements and characteristics that you are looking for in an ideal candidate and knows their specific role in the interview process, including which questions to ask.
The questions you ask in an interview will depend on the qualities that you are looking for in a candidate.

RESOURCE!

For a great free set of interview questions that can help you screen outbound lead generation candidates for a variety of qualities, see insidesalesrecruiting.com's interview guide.

When interviewing outbound lead generation reps, leverage these tips to find the right candidate:

Have them call you.

With outbound lead generation, the first 10 seconds can make or break a call, so you need to have people who are inherently comfortable on the phone. Instead of calling the candidate at the scheduled time, have them call you. Doing so helps you gauge, right off the bat, their punctuality and how they sound on a scheduled call with someone they barely know. It's also a great indication of how they'll sound when calling a prospect.

Make sure they understand the role and your expectations.

Outbound lead generation candidates need to be comfortable maintaining high levels of daily call and e-mail activity, dealing with the pressure of hitting quotas, and handling constant rejection. Have the candidate explain the job and expectations to you to make sure you are both in alignment. If the candidate has less experience and seems overly optimistic, you may want to make the job sound difficult and unappealing to ensure that they really understand what the role entails. You also need to make sure that the candidate understands how long they will be expected to stay in the position. An outbound lead generation rep typically needs to be in the role for at least 18 to 24 months to make a real contribution to the team and cover their cost.

Let them close you.

While outbound lead generation reps will not be closing sales, they will be closing meetings, so they cannot be afraid to ask you for the job, or at least the next step. If they have some sales experience they should already know to do this. Even if they are inexperienced, the best candidates are not shy about asking, and will do so instinctively. When time runs out on each interview, do not jump straight to next steps; instead, leave an opportunity for the candidate to close and see if they take it. If they do not, it may be an indication that he or she is not the best candidate for the role.

"Take the time to develop an appropriate compensation strategy for your lead generation team that aligns to your business goals, motivates and rewards the right behaviors, and helps you recruit and retain the best people. This in turn will deliver something every growth-stage company needs: a steady pipeline full of qualified buyers that leads to a predictable revenue stream."

Anneke Seley, CEO and founder, Reality Works Group

Building a Compensation Plan

The goal of a compensation plan is to attract the most qualified candidates, motivate employees to perform the desired actions, and reward them for the contributions they make to the organization. For lead generation teams, the compensation plan is critical, and getting it wrong can disrupt everything — from your competitiveness in the marketplace and your timeline for hiring and onboarding new team members, to your corporate culture and employee retention rates.

Below are a number of important tips you should consider when developing a compensation plan for your outbound lead generation team.

Balance base salary and lead generation bonuses
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While total compensation will vary based on the cost of living in your location, what's important in any plan is the balance of base salary and bonus. Your plan should reflect and incentivize the work that the lead generation reps are responsible for.

At expansion-stage companies, lead generation reps are data gatherers and message testers who also fill the sales pipeline with qualified leads. Because of the nature of the role, the balance of the compensation structure should skew toward salary. A reasonable compensation structure for this role would consist of 60 to 70 percent salary and 30 to 40 percent bonus. However, there are two important caveats to balancing the compensation plan:

First, regardless of what metrics you decide to pay on, the plan should be uncapped. In other words, if reps exceed their goals, they should earn money on the leads they generate above their quota. Capping bonuses for delivering qualified leads puts unnecessary constraints on overachievers that are not good for your business.

Second, your plan should include an incentive wall, or minimum level of performance that reps must achieve to receive any incentive compensation. Typically this threshold is set at around 50 percent of the qualified leads quota. In either of these cases, the payout ratio may be above or below what you planned for, but these two tenets are critical to incentivizing the right behaviors.

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Align reps' bonuses with the right metrics

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Your outbound lead generation compensation should focus on the metrics that influence the most important outcomes of the lead generation process: lead quantity, lead quality, collaboration, and results. When designing your plan, consider the metrics that allow you to control each of those outcomes.

The simplest way to incentivize lead quantity is by making the number of appointments set, or marketing qualified leads (MQLs) generated, one component in the compensation plan. To incentivize lead quality, make the number of opportunities created, or accepted by sales, another component. As long as your definition of opportunity and your hand-off process are clear, this will be a great way to put a check on the leads the team is generating to ensure that they meet the agreed upon standard. Finally, paying reps a small commission on the deals that close that they generated will incentivize them to work closely with sales reps, and it gives them a direct connection to the business that is closing. If used, this last component should make up the smallest portion of the compensation plan because it is the component that is the least in their control.

Avoid compensating lead generators on something they cannot control

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Outbound lead generation is a front-of-the-funnel activity. While some lead generators may be delivering high volumes of highly qualified leads that result in sales, others might be delivering equal numbers of qualified leads that are either ignored or never closed because of an ineffective sales team.

Under the latter scenario, lead generation reps being compensated on closed sales could be punished if the sales team isn't doing their job. In the end, this type of compensation structure can cause intra-organizational conflict and lead to generally unhappy lead generation reps. That's why it should only be a small portion of the team's overall incentive plan, and the metrics that are within their control — such as number of appointments scheduled and opportunities created — should make up the bulk of the incentive plan.

Pay commissions and bonuses as often as you can afford

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That's not to say you should be cutting your lead generators a bonus check every week. You should, however, pay incentive compensation at least every quarter — if not every month.

Outbound lead generation is often an entry-level job. As such, the people you recruit will be fresh out of college and their income will largely be consumed by things like rent, car payments, gas, groceries, credit card bills, and student loans. Assuming that 30 to 40 percent of your lead generators' income stems from their bonus, they're likely relying on that money to pay their bills, not buy BMWs and fancy watches. As a result, if they work hard every day and deliver on the goals you set for them, it's only fair to reward them as soon as you are financially able.

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Get creative with your sales compensation structure

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In the sales world, there's a common term used to describe the little reward that companies give their sales staff on top of traditional commissions and bonuses: a spiff. Spiffs are typically spot incentives that are handed out monthly or weekly, and reward the team for hitting a specific initiative or goal.

A spiff could be a small cash reward, a trophy, special parking spot, or even an exotic trip. Individuals and teams are driven by different things, so get to know what rewards your lead generators will work extra hard to win. The idea is to offer something that keeps everyone excited, optimistic, and motivated. Lead generation is a hard job, and offering spiffs is a great way to help your team forget about the day-in and day-out necessities.

Armed with these tips for building a good compensation plan, and the goals that you have calculated using the sales activity funnel template provided earlier in this chapter, you should be able to put together a compensation plan that will motivate your team to achieve the goals you have set forth. Here is an example of what your final compensation plan might look like:

Component	Allocation	Payout	Annual Goal	Annual Target
Base Salary		Every 2 weeks		$40,000
Appointments Completed (Qualified Lead)	60%	Monthly	245	$12,000
Opportunities Created (Sales Accepted Lead)	30%	Monthly	105	$6,000
Commission Rate on Sales Results (0.2%)	10%	Monthly	$1,236,852	$2,000
Total Target Incentive Compensation				$20,000
Total Target Earnings (excluding benefits)				$60,000

Clearly the base salary and total compensation will vary based on the location and experience of the reps you are hiring. Also, keep in mind that in most cases it will be the outbound lead generation manager's job, not the CFO's, to manage incentive compensation at the end of every month. Keeping it simple and having automated reports set up in your customer relationship management (CRM) system to track these metrics will make this part of the job a lot more manageable.

Developing Your Outbound
B2B Lead Management Process

Your company's sales and marketing funnel is a foundational tool that should be used to help guide your go-to-market strategy. Having clarity around the status of the leads in your marketing-sales funnel helps create alignment between these functions, and gives you the ability to monitor, measure, and make adjustments to your overall sales and marketing strategy. If you are struggling with your overall marketing-sales funnel, the book "Lead Generation for the Complex Sale" is an excellent resource for helping companies with complex sales develop effective marketing strategies.

Depending on their source and stage in the buying cycle, the leads that enter your marketing-sales funnel will follow different processes and workflows. The outbound lead management process is one in which your team proactively reaches out to the contacts and companies that you have identified as prospective buyers, qualifies them, and hands off those prospects to sales.

The overall marketing-sales funnel should include the agreed-upon definitions of each stage in the funnel. It should also be simple, measurable, and drive accountability between sales and marketing. Below is an example of what a very simple funnel might look like:

Your outbound lead management process is just one of the processes or workflows used to manage a subset of the leads that you have identified for your outbound lead generation team. Your outbound lead management process should include the following:

» Outreach process guidelines such as a touch point strategy that outlines the number and types of touches in a given time period

» The lead statuses and definitions that will be used to manage the leads going through the outreach process, including process outcomes like sales qualified lead (or other key conversion points at which the hand-off occurs from the outbound lead generation team to the sales team)

» Hand-off process from the outbound lead generation team to the sales team

Outreach Process Guidelines

Your team should follow outreach process guidelines to ensure that they approach all prospects consistently in terms of the number and types of touches they initiate. Your process guidelines will vary depending on your target market segments and target buyer profiles, but here is an example of what an eight-touch outreach process might look like:

DAY 1	DAY 2*	DAY 4*	DAY 7*	DAY 11*	DAY 13*	DAY 16*	DAY 20*
First e-mail	First call	Second call	Third call	Second e-mail	Fourth call	Fifth call	Sixth call

*business days

When determining the number and types of touches in your outreach process, use your own experience calling prospects and customers in the segment your team will be targeting. For example, you would not use the same outreach process for the CEO of a Fortune 500 company that you would use for a small business owner.

Documenting the approach for your target personas and training your team to use a consistent process will help you manage and scale the team as it grows. Making regular adjustments to the approach based on what's working will help you optimize it over time.

Lead Statuses and Definitions

Once you have established your outbound process guidelines, define a set of statuses to help you manage the prospects that are going through the process. These will eventually become pick-list values in the Status field in you CRM system. Here is a sample list of statuses and definitions:

» **OPEN**
A lead that has not been touched yet by an outbound lead generation rep

» **IN PROGRESS**
Leads that an outbound lead generation rep is actively working on,
but for whom no contact has been made

» **CONTACTED**
Contact has been made, but there is no resolution on the lead

» **SUSPECT**
The lead has been contacted, there appears to be a good fit based on the defined criteria, and there is a commitment for a follow-up call/meeting (leads in this status are great to include in a suspect review template, described later in this chapter)

» **SALES QUALIFIED**
A call/meeting between the lead and the sales rep has occurred and the lead has been verified by sales as meeting the agreed upon definition of a sales qualified lead (at this stage, the lead gets handed off to the sales rep)

» **NURTURE**
The outreach process has been completed with no response, or the lead has been contacted and is not interested in moving forward

» **UNQUALIFIED**
The lead is not a viable prospect or not in the target segment

Hand-off Process

The hand-off process is a simple yet critical step in outbound lead management. This is where ownership and accountability for developing the relationship with this lead into a viable sales opportunity transfers from the outbound lead generation rep to the sales rep. While it seems simple and obvious, companies fail when they do not have a properly implemented hand-off process for their sales and marketing teams.

For an effective hand-off process, follow these steps:

1. At the end of the call with the prospect, the lead generation rep confirms the time, date, and participants for the scheduled call/meeting

2. The lead generation rep sends an e-mail to formally introduce the prospect and the sales rep, as well as a calendar invite for the call/meeting

3. The sales rep engages the prospect by responding to the e-mail

4. The sales rep accepts the calendar invite for the call/meeting sent by the lead generation rep in step two

5. The lead generation rep updates the lead's status to "Suspect" and updates all other relevant fields in the CRM system

6. Once the call/meeting takes place:

   A. If the sales rep verifies that the lead meets the agreed upon definition of a sales qualified lead, then:

   - The lead status should be changed to "Sales Qualified"
   - Ownership of the lead should officially be transferred to the sales rep

   B. If the lead does not meet the agreed upon definition of a sales qualified lead, then:

   - The sales rep should provide feedback to the lead generation rep as to why it does not meet the criteria
   - The lead generation rep continues to own and nurture the relationship

While these steps may seem obvious, they're often not followed. This recommended process tends to happen naturally when there is a high degree of collaboration and cooperation between the sales and lead generation reps, and when management drives the use of the CRM system.

However, when lead generation reps and sales reps are not collocated (which is often the case) and management does not drive behavior and reporting through the CRM system, this process almost never happens unless it is explicitly laid out as in the above example. The steps described above will drive the accountability and ownership that is required for success.

What Not To Do

When companies do not formally roll out a hand-off process it usually ends up looking like one of these:

» The lead generation rep confirms a time for the meeting on the phone with the prospect

» The lead generation rep sends out a calendar invite to the lead and to the sales rep, but no formal introduction is made

- OR -

» The lead generation rep updates the status of the record in the CRM system, but no meeting invite or formal introduction is sent

» The sales rep is expected to follow up on records in the CRM system that the lead generation rep has reassigned to "Qualified"

> In both of these other versions of the hand-off process, potential sales qualified leads have a much higher tendency to slip through the cracks. Sales reps can easily miss meetings that were scheduled for them, and they can easily forget — or neglect — to follow up on leads in the system that are assigned to the designated status.

Training Your Team

Training is one of the most important aspects of building an effective outbound lead generation team, yet it is often overlooked. Expansion-stage companies launching this type of team for the first time are typically resource constrained and make the mistake of thinking that trial by fire is an acceptable training program. For instance, they may just give the rep a list and have him start dialing. Sometimes they don't even give the person a list, but rather just a phone. In rare cases, if you have hired the absolute right person, this approach may actually work out fine. However, that is unusual and certainly not scalable.

If you take that approach, you are essentially trusting that first hire to figure out a lot on his or her own, including the right messaging, scripts, e-mails, outreach process, and lead/opportunity management process, as well as how to log data in the CRM system. (For more on this, see former Stanford Business School professor and entrepreneur Mark Leslie's article, "The Sales Learning Curve," which explains the difference between "Renaissance Reps" and "Coin Operated Reps.")

Even if the first few people do manage to figure out most things on their own and are able to meet their qualified lead expectations, the chances that the next three, four, or five people you hire will be able to repeat that are slim. Without a training program that at a minimum covers the basics of getting up and running, your team will not scale.

What to Include in Your New Hire Training

There are a number of key elements to include in your new hire training and ongoing campaign focused training, especially if your new hires are relatively inexperienced in the market. Excluding the compulsory HR orientation and paperwork, your new hire training should include the following sessions:

Session	Who	Description
Company Overview	Hiring Manager/ Executive	A high-level overview of the company's mission, vision, and values, and the context in which the company/products were established, as well as the people involved. If you can get an executive to present this, it can be very motivating and inspiring for new employees.
Sales Team Structure, Roles, and Expectations	Hiring Manager	An initial meeting with the lead generation team manager to explicitly clarify expectations, explain how the lead generation team fits into the overall customer acquisition strategy, the role of the lead generation rep in the process, and how the sales/marketing teams are structured.
Customer Overview and Examples	Account Manager/ Sales Engineer	This session is intended to give the new hire some exposure to a handful of customers and explain how each customer is using and benefiting from your product. The new hire should be able to present what he or she learned here as a case study and retell each customer's story.
Competitive Landscape	Marketing/Sales Operations	An overview of your competitors' strengths and weaknesses and the competitive landscape in which the company/products compete.
Market Overview, Segmentation, Buyer Personas	Marketing	An overview of the target markets and ecosystems in which the company sells its products. There may be multiple markets and ecosystems to cover if the products have multiple applications. This section should also explain how the target markets are segmented and where your company's sweet spots are within each market. Then, within each target segment, it should explain which buyer personas would be involved with the sales.
Review of Campaign/ Segment Assets - Role Playing	Hiring Manager	A more in-depth review of the target market segments and buyer personas, as well as a review of all of the assets and resources that have been developed to prospect into those segments and personas (see the next section on building an asset package).

Session	Who	Description
Lead Management Process Training	Hiring Manager/ Sales Operations	An overview of the lead management process, including the outreach guidelines and hand-off process (see section on developing your outbound lead management process).
Product Demo	Account Manager/ Sales Engineer	A product demonstration showing what users would experience if they were using the product. This will help new hires get a better sense of what they are actually selling.
Product Training	Sales Engineer/ Sales Operations	A product training session going into more depth on how to use the application. There may also be a hands-on element for some products. Make sure to clarify what new reps are qualified to discuss on a call so that they don't overstep their bounds.
Sales Methodology Training	Hiring Manager/ Sales Operations	If your sales team subscribes to a specific sales methodology, this session should cover the basics of that methodology. At the very least this section should cover the different stages and milestones in the sales process.
Sit on Calls and Demos	Lead Generation Rep/Sales Rep/ Account Manager	This absolutely critical activity should be a big part of training. New hires should not only sit on calls with other lead generation reps, but also with sales reps, account managers, and even sales engineers to hear different people's selling styles, customer/prospect feedback, and how to respond.
Systems Training: CRM, Sales Tool, Content	Sales Operations	Instructions on the basic systems that the sales and marketing teams use daily. Particularly important here is CRM training.

Putting all of this training together would be an incredible challenge for anyone, even the most experienced lead generation team manager. That's why in the second column of the table above you will find suggestions for roles that can typically help prepare or present training on each topic. However, at expansion-stage technology companies, many of these roles do not exist. If that is the case, the onus falls on the lead generation team manager to deliver a training program that gets new lead generation reps ramped up as quickly as possible.

These sessions aside, there is no better training than practice. That means that plenty of role playing, group outbound calling, and calling into old leads should make up a significant portion of the new hire training.

Building an Asset Package

An asset package is a collection of helpful materials that are specific to the targets that your outbound lead generation reps are going after. Asset packages for a specific market segment are great for new hire training and expanding into new markets, and they can also be created to focus on a campaign or promotion within a market segment that you are already targeting. The goal of an asset package is to turn your reps into mini-experts on a particular target in a few days. The more narrowly focused your target is, the easier this will be to achieve.

Like the overall new hire training, the lead generation team manager is responsible for creating the asset package. However, if you have additional resources available, you can standardize the asset package to make it easy for someone else to gather the information you are looking for.

The asset package should include the following information and resources (described on the following pages in more detail):

» Buyer profile guides

» Conversation guide(s)

» E-mail series

» Customer examples

» Objections and FAQs

» Key competitors

» Industry blogs/publications/LinkedIn groups

Buyer Profile Guide

Similar to a buyer persona, the buyer profile guide should contain key information about the prospects that you are targeting such as their:

- » Buying role/influence
- » Title(s)
- » Job function
- » Years on the job

- » Business drivers/KPIs
- » Goals
- » Reporting structure
- » Influencers

- » Needs
- » Pains
- » Buying criteria

Because there are usually multiple buyers and roles involved with the buying process, you will typically have at least two or three buyer profiles in each target market segment. All of this information can be gathered from interviewing customers and internal employees, including sales reps, executives, and marketing colleagues. You can also gather a lot of this information by doing online research using tools like LinkedIn, and digging through call notes in your CRM system.

Conversation Guide

Similar to a script, a conversation guide provides your lead generation reps with the right messaging as well as a series of questions, pain points, and talking points for calls with prospects. Each buyer profile should have a slightly different conversation guide based on their specific role and pain points. The flow of a conversation guide typically looks like this:

Step in Flow	Sample Text
Step 1 Identify that you have the right person and that he or she has time to speak.	"Hi Bob. This is Stacy. Did I catch you at a bad time?"
Step 2 Explain the reason for your call by mentioning how clients that are similar to the prospect are benefiting from your product and articulating a brief value proposition.	"I'm calling from [insert your company name]. We are currently working with Pier 1 Imports and Whole Foods to help them manage campaigns and content across social networks. They've been able to increase audience engagement and conversion by 150 percent."

## Step 3 Describe two or three pain points relevant to your product that the buyer profile would typically experience.	"Typically when I speak with social media marketers like yourself, they usually tell me that major challenges for them are: - Tracking social media ROI - Tracking content shared across social networks, and - Tracing conversions back to social media influencers Do any of those sound familiar?"
## Step 4 Empathize and probe more on the pain you identified in the last step to gather the key qualifying information.	"I understand. Is there a specific example that you can refer to? How long has that been a problem? How many social media campaigns are you typically running that the problem would affect? Which social networks are you most active on? What have you tried so far to solve this problem? What will happen if you don't solve it?"
## Step 5 Reiterate pains back to the prospect and transition to the next step.	"Based on what you are telling me, it sounds like you are facing some challenges around measuring social media ROI that are preventing you from justifying additional budget for social media campaigns. Is that correct? In that case, do you think you would be open to a call with one of our Social Marketing Consultants [substitute name for a sales rep in your company] to see if we can help?"
## Step 6 Set up the meeting and collect any additional qualifying information.	"Next Tuesday at 2 p.m. should work. While I've got you on the phone, just so that we don't waste any of your time on the call next week, would you mind sharing how people in your marketing team are involved with social media? What other applications are you already using to track your social media campaigns?"

Like a script, the conversation guide provides a good framework for a discussion; however, it is intended to be modified to fit each rep's personal style so they don't sound like robots on the phone.

E-mail Series

In addition to the conversation guide, the asset package should include a series of e-mail templates in which each buyer profile within your targeted campaign has an e-mail series based on the specific pain points commonly associated with that profile.

Each e-mail series should align with the outreach process that you have laid out for the segment, or for the specific campaign (see the previous section on developing your outreach process). If the process calls for three phone calls and three e-mails, then each of your e-mail series should include three e-mails. To keep the content fresh you can focus on one pain point per e-mail. If you have done a good job developing your buyer profiles you should have some good content to work with.

Like the conversation guide, the e-mails can be slightly modified where customization is warranted. Additional e-mail prospecting tactics will be laid out in further detail later in this eBook. For an example of a good e-mail series, see page 85 in the Appendix.

Customer Examples

Along with buyer profiles, it's helpful to provide a few specific examples of customers and contacts that fit each of the buyer profiles in the segment. You should also make sure that those customers have agreed to be references so that you can leverage them on the calls. Information that is helpful to include in a customer example includes:

» Who was the buyer and was it a committee decision?

» Who was the champion?

» How did this deal originate?

» What did the buying process look like?

» What objections came up along the way?

» What pains did this solution address?

» What was the customer's "Ah-ha!" moment?

» What other competitors were being explored?

» Why did the company ultimately win?

» What did the implementation process look like?

» What has been the success/feedback post-implementation?

Objections and FAQs

Even if you have never sold to a specific market segment before, it's likely that you will be able to anticipate what some of the prospects' objections and questions will be. In most cases, someone on your sales team has probably already spoken with a few prospects in the new market segment you are targeting. Try to put together at least the top five objections and top five FAQs to help your lead generation reps anticipate what might come up.

Unlike the competitive overview mentioned in the training section, your asset package should only include the competitors that are most relevant to the specific campaign or market segment that you are targeting. In many cases, a competitor with a lot of market share in one market segment will have a much smaller presence in other market segments. Breaking down your competitors' strengths and weaknesses as they relate to the target of your asset package is extremely important.

Industry Blogs/Publications/LinkedIn Groups

Finally, you will want to give your lead generation team a list of blogs, publications, associations, and LinkedIn groups to read and join so that they can start connecting with prospects and gathering insights that their prospects would be interested in.

Importantly, just because you complete your first asset package and roll it out to the team, that doesn't mean you're done. The asset package should be a living document that you and your team refer back to and update regularly as you gain insights about a market segment. When done well, this will be one of the most important documents that you can provide a new lead generation rep, and it will be an essential tool in allowing you to scale your team as you hire more reps and expand into new market segments.

Ready to Step on the Gas?

Each of the topics covered in this chapter are foundational elements of a high-performing outbound lead generation program. Without them in place, it's going to be very difficult to drive the kind of lead generation success that expansion-stage companies need to efficiently fuel growth. With those elements, however, your company should be prepared to initiate and accelerate its outbound lead generation efforts.

Of course, a foundation is only useful if you're able to build a sound structure on top of it. The next chapter lays out a process for executing and managing an outbound lead generation program that keeps your team focused and productive in both the short and long term.

How to Execute Outbound B2B Lead Generation Effectively

Once the prerequisites are in order, preparations are complete, and your team is hired and onboarded, the real challenge begins: keeping your team focused, motivated, and productive day after day.

For reps to be successful, they must focus on their individual execution and consistently strive to succeed and improve. Outbound B2B lead generation is a game of inches, where making small adjustments and putting in a little extra effort goes a long way, especially when multiplied over the tenure of a rep or across an entire team. The need to make these small adjustments and improvements in your execution also extends to how the team works with other departments such as sales, marketing, and product management.

This chapter breaks down execution into three main areas:

1. Tactics for managing your outbound lead generation team

2. Skills that managers can help outbound lead generation reps focus on to improve their performance

3. Managing collaboration between the outbound lead generation team and other departments

Managing Your Outbound Lead Generation Team

Hundreds of books have been written on the topic of management — particularly sales management — and every manager has his or her own management style. Outbound lead generation, however, is a different beast. While it is a function of a sales organization, outbound lead generation has its own nuances that managers must consider as they execute their programs.

The tactics below are for successfully managing an outbound lead generation team and are specifically intended to help manage the outbound lead generation process.

Management Tactic #1

Establish a Management Process

If you did a good job screening candidates and selecting the most qualified people, you should be leading a mature, smart, and driven group of individuals who you can empower rather than micromanage.

After initially training the group and supplying them with valuable content, you should allow team members to self-manage 90 percent of their time. If you have trained your team properly on how to use the CRM system, everything you need to know about their performance should be accessible, allowing you to ensure that everyone stays on track.

The metrics that the team is accountable for should be engrained in their minds. Don't bug your team with pesky questions throughout the day about their productivity unless you see a real issue arising. Instead, develop a set of recurring meetings with specific and deliberate agendas to get regular updates on the most important information that will tell you whether or not your team is going to be successful. Some suggested agendas are listed on the following page.

Meeting Schedule and Agendas

WEEKLY KICK-OFF MEETING (m) (t) (w) (th) (f)

Frequency: Weekly
Participants: Outbound lead generation team, team manager
Length: 15 to 30 minutes
Timing: Monday morning
Agenda:

   » Recap last week's activity.
   » Highlight any big wins.
   » Recap goals and focus for the week, including any new campaigns.
   » Recap any interesting industry and competitor news and changes.

RETROSPECTIVE MEETING (m) (t) (w) (th) (f)

Frequency: Weekly or bi-weekly
Participants: Outbound lead generation team, team manager,
                   marketing team members (occasionally), sales reps (occasionally)
Length: 30 minutes to 1 hour
Timing: Thursday or Friday
Agenda:

   » Reps discuss their top/last two or three qualified leads.

   » Review messaging and outreach: What is and isn't working? Which titles are you speaking with? What information are you gathering? How are you getting to decision-makers? What major trends are you hearing from the market?

   » Discuss objections: What are you hearing and how are you responding?

   » Review the team's progress against their weekly and monthly goals: Are you hitting your daily/weekly goals at the team level? Are you on track to hit the monthly/quarterly goal?

   » Review the team's major impediments to success.

   » Review what the team learned in the last two weeks that you are going to start doing more or less of.

ONE-ON-ONE MEETINGS (m) (t) (w) (th) (f)

Frequency: Weekly
Participants: Outbound lead generation rep, team manager
Length: 30 minutes
Timing: Thursday or Friday
Agenda:

» Discuss the rep's top/last two or three qualified leads, and the top four or five companies that he or she is currently focused on. To help reps prepare for this meeting, you may want to provide them with a prospect review template that contains notes and key information about those prospects (see example below).

» What worked well for the top/last two or three qualified leads?

» For the top four or five companies that they are working on: Why is it a focus? What qualification criteria have already been gathered? What is the next step, and why? Who are we speaking with in the organization? Who else should be involved?

» Review the rep's KPIs dashboard: Is the rep hitting the daily/weekly individual goals? Is he on track to hit his monthly/quarterly goal?

» Review the rep's call list at a high level by lead status. Check on their coverage and penetration into the accounts that have been assigned to them. Of the total list, how many are still not touched, in progress, qualified, unqualified?

» What is the number one impediment to success that is within your control?

» What can the manager do to help?

In any management role, good communication is critical. That's why setting up the right venues and opportunities for the right information to be clearly communicated is so important. In spite of all the new communication channels in today's modern work environment, productivity is often hampered by unnecessary meetings and calls. For that reason, any meetings you do have should always have a clear and deliberate agenda like the ones above.

Prospect Review Template

Company	Contact	Title	Notes	Next Steps
ACME Inc.	John Smith	Marketing Manager	Brief conversation with John; he said that they know they need a solution but haven't started looking yet. His boss Jenny, the VP of marketing, needs to give her approval.	John to make intro to Jenny to set up a call.
ACME Inc.	Jenny Brady	VP of Marketing	John's boss	Set up a call through John.
XYZ Company	Tony Belkin	Senior Director, Marketing	Had a lengthy e-mail exchange about the example I sent over. Scheduled 15-minute intro call tomorrow to qualify.	Fifteen-minute intro call to qualify for appointment with rep. Need to find out pain and urgency.

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In addition to your regular meeting rhythm, a great way to immediately start holding reps accountable to their goals and get exposure to the team's efforts is to have all new outbound lead generation reps send out daily summaries of their activity. Even though this information should be available in the CRM system, the action of filling out an e-mail template every day and sending it to the sales leadership will help motivate the reps to hit their goals. The daily e-mail template should look something like this:

From: New BDR [mailto:new.bdr@company.com]
Sent: Tuesday, March 19, 2013 9:15 AM
To: Sales Team; VP Sales
Subject: Daily Activity Report 031913

	Calls	Conversations	Appointments Set	Appointments Completed	Opportunities Created
Actual	48	3	1	0	0
Goal	50	5	1	1	1

Notable Interactions	Contact	Title	Company	Sales Rep
Said to reach out to Joe Branton, Global Brand Manager	John Smith	Marketing Manager	Plymouth Insurance	Tom
Set call for March 22 and created demo for her using website content	Jan Wilson	Marketing Manager: Social, Content & Special Events	Bella Cosmetics	Bill
Talked to his receptionist; she said to call back at 3:30. Called back, then she called me back and talked for 30 minutes. Finally got Tony and he hung up on me.	Tony Maseli	Senior VP and Chief Operating Officer	Bossman Athletics	Tom

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Get on the Phones With Your Reps

While meetings are great for learning from the team and sharing ideas and insights, there is no substitute for getting on the phone, both on your own and with your reps, to hear what they sound like.

This is another tactic that is especially important for companies trying outbound lead generation for the first time, and for companies that might be testing a new market segment or new messaging. In addition to the feedback you get from your team, you will need to gain your own personal experience selling your product to the target personas in the target market, to hear for yourself what works and what doesn't. Making calls periodically will also help you stay abreast of industry trends and changes in your prospects' worlds.

You will also want to join calls with your reps to hear what they sound like and how prospects respond to them. Block off some time for this weekly. You will want to know if they are using the right messaging, asking the right questions, and matching the prospects' tonality. The easiest way to join a call is to use a phone splitter for the head sets. If you are considering using call recording software, beware of the regulations in your state. In most states you are required to disclose to the prospect that the call is being recorded. This practice can be a major liability if not managed.

To be clear, the goal is not to micromanage your reps but to learn from them, and to get first-hand experience of hearing things for yourself. That's why it's important to be extremely respectful when you are on calls with your reps and to not distract them by making suggestions while they are trying to speak with a prospect. You want them to sound as natural as they would on a call that their boss wasn't listening to.

Management
Tactic #3

As an outbound lead generation team manager you want to measure a number of key metrics in three primary categories:

» Activity metrics, such as the number of calls, conversations, e-mails, and overall activity, will tell you what your team is doing.

» Process metrics, such as conversion rates from call to conversation, conversation to appointment, and appointment to qualified lead, as well as the number of leads by status assigned to a given rep at any point in time, will tell you what your team is working on and how efficient their work is.

» Results metrics, such as the number of appointments set, the number of opportunities created, and revenue generated by outbound lead generation team opportunities, will tell you the results of all of their efforts and the impact on the business.

"Sales managers love metrics, and when it comes to inside sales, they particularly love activity metrics. The general belief is simple: more calls lead to more sales. Sometimes this is true, but activity is not the only metric to consider, and is rarely the right solution for improving sales numbers.

"The number of calls being made or taken is a measure of efficiency. It tells us how well we are using our time. The other side of this dichotomy is effectiveness: the measure of how well we succeed as sales people in achieving the objectives of our sales calls. Effectiveness is more important than efficiency when it comes to improving sales results, but it's also much more difficult to measure and track. So instead we tend to focus on the things we can count."

S. Anthony Iannarino
President and Chief Sales Officer, SOLUTIONS Staffing

Lead generation team managers will often only focus on activity and results metrics. However, for expansion-stage companies that are trying to figure out a predictable model that will scale, process metrics are critical. Furthermore, as an outbound lead generation team manager, the process metrics are where you have the most leverage.

For example, suppose that you have a team of five reps who each have five conversations per day, and their conversation-to-appointment conversion rate is 10 percent. If you can increase your conversion rate by only 2 percent, then you will get 10 more appointments per month out of your team.

If you are just getting started and trying to figure out a predictable model, checking your conversion rates is critical as well. If you used the calculations from the sales activity funnel table in Chapter 2 to calculate your goals and size your team, you will need to make sure that once your team is up and running you go back to confirm that the conversion rates are holding.

Often times those conversion rates will not match your initial expectations, but they may balance out, and you may still get the results you expected. Other times, they just won't hold and the team will under-deliver on expectations. Unless you are monitoring these conversion rates on a monthly basis, you will have no idea where your team stands, and by the time you realize it, it may already be too late to respond.

Lower than expected conversion rates can occur for any number of reasons. That's why having additional quantitative and qualitative data is important in helping you diagnose the issue. For example, if your conversation-to-appointment conversion rate is the bottleneck in your process, there may be some opportunity for you to help your reps with their messaging, phone skills, or gatekeeper tactics. Combined with the conversion rates, the insights you collect from your team in the weekly meetings and by sitting on calls will help you understand where the opportunities for improvement lie.

Management Tactic #4

Create a Model Day for Success

Time management is a challenge for everyone, particularly when there are a limited number of hours in the day that you can actually reach people. That is why it helps to have some structure around your day.

To structure your lead generation team's schedule, try creating a model day for success. In a cold calling/business development role, there will be lots of distractions. But if your day is structured and your distractions are limited, you will have a greater chance of achieving higher efficiency and better results.

Here's an example of what a model day might look like for an outbound lead generation rep:

Proactive activities: Outbound calling and sending high-priority follow-up e-mails after conversations.

Reactive activities: Responding to e-mails and sending low-priority follow-up e-mails.

Power hour: Times of day in which prospects are generally more easily available than usual — typically early in the morning, or late in the afternoon, but it can vary by industry, role, geography, and other factors.

8:30 – 10:00 a.m.	Proactive activities
10:00 – 10:30 a.m.	Reactive activities
10:30 a.m. – Noon	Proactive activities
Noon – 1:00 p.m.	Lunch
1:00 – 2:00 p.m.	Reactive activities
2:00 – 3:30 p.m.	Proactive activities
3:30 – 4:00 p.m.	Preparation for power hour (pre-call research)
4:00 – 5:30 p.m.	Power hour
5:30 – 6:00 p.m.	Preparation for next day (personal organization and preparedness)

Management Tactic #5

Motivating Your Team With Contests

Keeping your team motivated is critical to your success and everyone's happiness. Outbound lead generation can be a grind, so it's up to the manager to come up with creative ways of motivating outbound lead generation reps and creating a fun and competitive environment.

There is a wide variety of ways to keep the team motivated; probably the most commonly used is a weekly or monthly game or contest to incentivize certain behaviors. Just be careful not to incent the wrong behaviors. For example, if you run a contest for most calls in a day, you will probably get people fudging the stats.

There are tons of contest ideas online. The key is to keep it fun and competitive. Here are few ideas:

» The whole team gets a prize if everyone generates above a certain number of leads

» The rep with the most qualified leads gets a prize

» The rep with the most conversations gets a prize

» The rep with the most improved number of appointments/qualified leads
(week over week, month over month) gets a prize

» Reps are individually recognized for personal achievement when they reach
their personal best for appointments or qualified leads

» Reps are divided into teams and the team with the most qualified leads wins a prize

» Reps are awarded fake money for achievement in conversations, appointments,
and qualified leads, to later gamble for prizes at a Monte Carlo Night

Just as important as the contest is the prize. And, like contest ideas, there are many ways to reward the winners. It doesn't always have to be money, but if you run contests frequently enough the costs can start to add up. It's a good idea to allocate a portion of your annual budget specifically for spiffs and contest prizes. Here are few suggestions for prizes:

» Cash

» Gift card to a nice restaurant or local coffee shop

» Amex/Visa gift card

» Extra day off to use whenever

» A trophy or plaque

» Paid accommodations at a hotel for a long weekend

» Team dinner

» Permission to leave early on Friday

Most importantly, recognition is one of the biggest motivators. Regardless of the contest you run or the prize you give to the winners, make sure that you present the awards in front of their peers and superiors so that the top performers get the recognition they deserve.

Very few outbound lead generation reps view their positions as dream jobs or imagine staying in that role forever. They typically view outbound lead generation as a stepping stone to bigger and better things. Promotion, quite simply, is on their mind from day one. As an outbound lead generation team manager, your job is to understand the potential career paths that your outbound prospectors could take, and to set clear expectations from the beginning that will help get them there — all without distracting them from the task at hand. When done well, this can be one of the most powerful management tactics.

The most common path for outbound lead generation reps is to move into a sales role closing deals. How they get there is the most important part. In most complex sales environments the jump from outbound lead generation to closing deals is not always easy to make. While the most ambitious outbound lead generation reps will always think they are ready for a promotion, promoting them to a closing role before they are ready will set them up for failure.

To be considered for a promotion, lead generation reps should, at a minimum, meet the following criteria:

» Consistently hitting his or her goals during their time with the company

» Buying into the system and adhering to the company's policies and processes

» Working for the company for at least 12 months

Reps who meet these criteria are models of what you want the rest of your team to strive for. At the other end of the spectrum, just because you have communicated a clear career path doesn't mean you should feel obligated to promote reps who have not hit their goals and/or aren't buying into the system.

In addition, while merit supersedes tenure in importance, you don't want to set the expectation that anyone will be promoted in less than 12 months. There are numerous other factors you must consider before promoting your outbound prospectors, but hitting goals and following the company's playbook should be your baseline requirements. If your reps have achieved those things, then you should also consider:

» Activity and productivity metrics (see section on assessing metrics)

» Skills that will make reps successful in their next role, such as the ability to deliver an effective demo or to maintain control on a sales call

» Personality traits or qualities (both good and bad ones) that could influence a rep's likelihood of success at the next level, such as resilience and ability to bounce back after being rejected, and the ability to perform well under pressure

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The best way to leverage career development as a management tool is to map out a path that includes milestones and training objectives. Having shared these with your team, reps can dedicate some of their time each week to moving closer to achieving these objectives. Finally, the reps who have met the minimum requirements and have achieved all of the milestones and objectives should go through a formal interview process when a seat opens on the sales team.

Ultimately, an outbound prospector's ability to control his or her own destiny should be incentive enough to do the things necessary to earn a promotion. If you set clear performance expectations, communicate the skills they need to develop, and provide feedback along the way, you won't have to deal with a team full of reps begging for a promotion. They will know what they need to do to get one.

Key Outbound Lead Generation Skills

Of course, ensuring that your team is motivated and focused on the right things is just one piece of the outbound lead generation management process. It's also critical to make sure that your reps' energy is being spent on the right tactics and activities.

Below is a list of specific outbound lead generation tactics that are particularly effective, along with some best practices for leveraging each one.

Skill #1

Targeted E-mail Prospecting

While many people criticize e-mail as a tool for sales prospecting, it still remains one of the most effective and common forms of communication for both business and personal use.

E-mail prospecting can be an extremely powerful tool when done right. While there is a lot of information already available about e-mail best practices, this section focuses on five tactics that are specific to using e-mail as a tool for outbound lead generation. If this is an area in which you or your team is struggling, the tactics below should come in handy.

TIP 1

Craft Engaging Subject Lines

An e-mail's subject line is one of its most important components. It is the first thing that people see upon receiving your message, and it is the only thing they see sorting through their inbox trying to decide what to open and what to delete.

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Consider these tips for crafting engaging subject lines:

» Be brief and to the point: "Do you have 5 minutes?" works surprisingly well.

» Reference the recipient's content: For example, if your prospect has a blog, use the title of one of their recent posts in the subject line. Most people who write blogs don't have that many readers, and they enjoy it when one of them actually reaches out to them directly about a post.

» Start with the word "Your": As in, "Your recent blog post…," or "Your product…."
People love hearing about themselves and their work, and the word "your" helps grab their attention.

» Use all lower-case letters: Think about a casual e-mail from a friend that you would open —
what does the subject line look like? It's usually all lower-case letters.

TIP 2

Leverage the Prospect's Content

Most sales and marketing professionals know that people like hearing about themselves. The best way to tap into that psychology is to reference your prospect's content in the e-mail, and to tie it back to the reason you are reaching out.

To start, find a relevant piece of content related to your prospect that you can mention in your e-mail. This can typically be found by conducting a Google search on the prospect's name and a phrase related to the area where your product best adds value. You should also check the prospect's social media channels — like LinkedIn and Twitter — to see what they are talking about in that sphere. If you don't find anything specific to that prospect, conduct similar searches on the company name. If all else fails, go the corporate website and find a quote about the company that is compelling and relevant to what you are selling.

Once you have found a relevant piece of content, copy a compelling quote from it and paste it into the body of your e-mail. The quote should not be more than a sentence or two, and the first part of your e-mail should explain why the quote grabbed your attention, how you are interested in what the prospect company is accomplishing, or why you can empathize with its challenge/goal.

Here's an example of an e-mail that leverages a prospect's content:

Subject: Your blog post: The Best E-mail Prospecting Tactics

Hi Steve,

I came across your recent blog post on the best e-mail prospecting tactics where you mentioned that "e-mail prospecting can be an extremely powerful tool when done right." I really enjoyed the post and actually shared it with a few of my clients.

I currently work with a number of venture capital firms to help them and their portfolio companies optimize their e-mail marketing and lead qualification.

Do you have few minutes later this week to briefly discuss a partnership?

Thanks,
Amanda

> Remember, the goal of e-mail prospecting is to get a response. Using the prospect's content in your subject lines and bodies is a tactic that will immediately help you increase your response rate.

TIP 3

Be Specific

One of the biggest mistakes that sales and lead generation reps make when sending e-mails to prospects is not explaining the purpose of the e-mail or what they are looking for in response. According to MECLABS,[5] there are several key conversion points that you need to consider when sending an e-mail:

» The prospect must decide to open the e-mail

» Once opened, the prospect must decide whether or not to read the e-mail

» The prospect must decide whether or not to take action as a result of reading the e-mail

The first two e-mail prospecting tactics above — crafting engaging subject lines and leveraging the prospect's content — are focused on the first two conversion points. This tactic — being specific — is focused on the third: getting the prospect to take action.

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[5] MarketingSherpa, Marketing Experiments, Optimization Summit 2012, http://www.marketingexperiments.com/images/multifiles/articulate/web-clinic-05-24-12/player.html

Keep in mind that prospects are not mind readers — if you don't specifically ask for a response, you are much less likely to get one. While this point may seem obvious, many sales people send e-mails that do not explain their purpose or how the prospect should respond.

Every e-mail sent to a prospect should express what you want from the prospect or ask a specific question that they can quickly answer. Be specific so that nothing is left to interpretation.

TIP 4

Optimize E-mails for Mobile Devices

A significant and increasing portion of the e-mails sent today are being read on a smartphone. A recent study by MailChimp[6] suggested that about 41 percent of mobile users in the U.S. read e-mail on their mobile devices.

With that in mind, it is important to optimize e-mail for mobile devices and in particular to follow these rules:

» Keep it short: Your prospect should be able to read the whole e-mail within two finger swipes on a smartphone. Test your e-mail before you send it. Make sure that it's an e-mail that you would open, and that it's easy to read.

» Send text, not HTML: Images, fancy templates, and links usually don't present well on a smartphone. For prospecting e-mails, use text or plain HTML with no special formatting, and make sure that your e-mail signature doesn't contain too many images or hyperlinks.

Generally, if you follow these two rules, your e-mails should be reasonably optimized for prospects reading them on a mobile device.

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[6] "Email on Mobile Devices," a MailChimp Study, http://mailchimp.com/resources/guides/html/email-on-mobile-devices/

Trying several other tactics will also help increase your open rates:
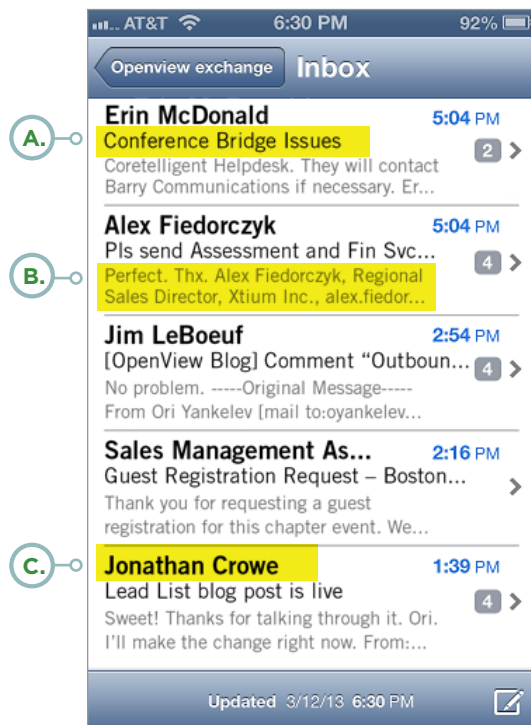
A. Shorten the subject line: To optimize for mobile, reduce the length of the subject line. A study by Informz showed that subject lines with fewer than 10 characters had a significantly higher open rate than other lengths.

B. Consider the preheader: The preheader is the short summary text that appears on the message in the inbox below the subject line. On text or HTML e-mails with no special formatting or templates, this will always come from the first few lines of text in the e-mail. That line of text is one of the first things your prospects see when they look at your e-mail in their inbox, so make it count. If you aren't sending plain text e-mails, send a test to your smartphone to see what this looks like.

C. Consider the sender name: Make sure that the e-mail is coming from you. If you send e-mails using Microsoft Outlook you can customize the name field so that recipients see "Bob Smith" in their inbox instead of "Robert A. Smith <rasmith@abc.com>." For more on this, follow these simple instructions.
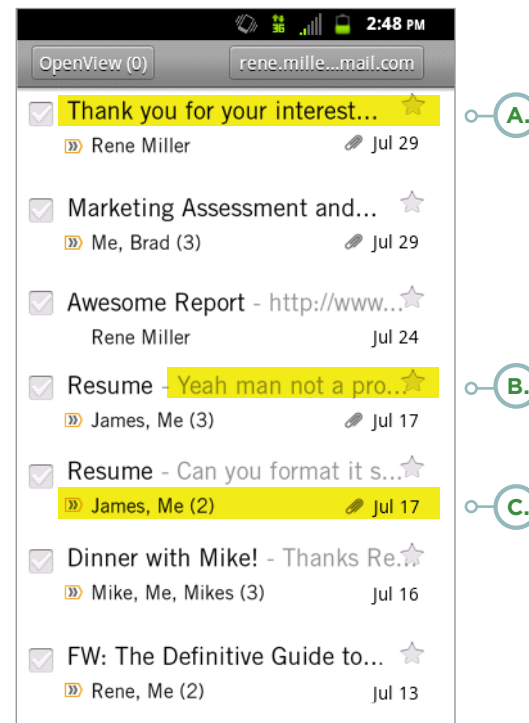
In addition to the subject line, the preheader, and the sender name, you should also take timing and font size into consideration.

» Time of day: Studies show that e-mail sent late in the day is more likely to be opened on a mobile device. A study by Knotice on e-mail behavior suggests that e-mail open rates on mobile devices peak in the early morning and late in the evening, and decrease over the course of working hours.[7]

» Font size: Set your e-mail application's default font size to 12 point. Phone screens can be small and text often is difficult to read. Some mobile e-mail applications automatically resize fonts to 12 point.

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[7] Mobile Email Opens Report, First Half of 2011, Knotice, http://www.knotice.com/reports/Knotice_Mobile_Email_Opens_Report_FirstHalf2011.pdf, November 2011.

The "Close the file" E-mail

TIP 5

Even if you perfectly follow the advice outlined above, the vast majority of prospecting e-mails that you send will be deleted or ignored. For those hard-to-crack prospects that you have been calling and e-mailing for weeks with no response, use the "Close the file" e-mail. We have seen a number of our teams use this tactic successfully because it grabs a prospect's attention and solicits a response.

Subject: "Closing your file" or "Close file: [Company Name]"

[First Name],

I have been trying to reach you for a couple of weeks now because I came across your [website, LinkedIn profile, blog post, article] and thought I might be able to help you [1 LINE VALUE PROP] [reduce cost, increase service revenue, expand product offerings].

Since I haven't heard back I'm going to go ahead and close your file.

Please feel free to reach out if anything changes.

Thanks,
Adam

Phone Skills — Bonding and Rapport

Skill #2

For outbound lead generation, there is perhaps no more important skill than the ability to quickly bond and build rapport with a prospect over the phone. While this is often seen as an innate skill, there is a variety of tactics that can help outbound callers improve their ability in this area.

One of the most important things you can teach your outbound lead generation reps is that the way they naturally communicate is not necessarily the way every person likes to converse. Therefore, an outbound lead generation rep must understand the different ways in which people communicate, and adjust their tone of voice and communication style to match the prospect's. This will make the prospect feel more comfortable and lower their guard.

Another excellent tactic is called a pattern interrupt, which is simply saying something in a way that does not follow the typical pattern that a prospect would expect to hear. A good example is using the phrase, "Did I catch you at a bad time?" instead of, "Is now a good time to talk?"

Most people are used to hearing the latter phrase from cold callers, and have been trained to say "no" — the natural reaction most people have to a cold call. But saying "Did I catch you at a bad time?" changes the pattern, and the pattern response "no" actually implies that it is a good time for the prospect to speak. This is not a trick intended to fool the prospect into a conversation, but rather a way of getting to prospect to break out of their typical cold call pattern and think for a second before giving you the knee-jerk response. If they are really busy they will let you know.

Another tactic to quickly get prospects to lower their guard over the phone is framing the pitch as a story. Some studies have shown that engaging someone in a story activates the emotional, imaginative, and creative side of the brain as opposed to the more guarded, intellectual, and rational side.[8] This tends to cause prospects to relax, and allows the rep to bond and build rapport much more quickly. Recently, entirely new sales training methodologies have developed around this basic concept of storytelling, such as Michael Bosworth's StoryLeaders and "What Great Sales People Do" workshops.

Skill #3

Dealing With Gatekeepers

Many sales and lead generation professionals feel that gatekeepers are the bane of their existence because they prevent them from doing their job. That is why learning to deal with gatekeepers and how to get around them is one of the most important skills any sales or lead generation professional can master. The best sales and lead generation professionals not only think of creative ways to get around gatekeepers, but also leverage them as a resource to help with the sale.

Try the following tips with your gatekeepers:

» Don't sound like a sales person when you ask for the prospect. Speak with confidence, as if you know the person you are trying to reach.

» Build rapport with the gatekeeper. Establish a bond by making sure to get their name every time you call and calling them by name the next time you call. "Thanks, Rebecca" sounds a lot better than "Thanks, bye." Do your best to match tonality and empathize with the gatekeeper if they sound like they are having a bad day. Even a simple "How is your day going?" will pay dividends, as most sales people don't even say that.

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[8] Pamela Rutledge, "The Psychological Power of Storytelling," *Psychology Today*, January 16, 2011.

» Be friendly and don't be afraid to ask for their help. If you've been unsuccessful in reaching your prospect, ask for their advice on the best way to make contact. If you build on the tactics above, then you can enlist them as a friend.

> *"Mr. Gatekeeper, I have really been trying to get in touch with Mrs. Decision Maker over the last few weeks. I could really use your help. What would you suggest would be the best way to get in touch with Mrs. Decision Maker?"*

» Treat the gatekeeper like a concierge, not a bouncer. A concierge's job is to provide people with information they are looking for, or accomplish a task. Use the gatekeeper to get other relevant information that can help you with the sale, such as:

- Company information
- Contact information for other contacts
- Best time/way to reach the decision-maker
- Other people who might be involved in the decision-making process
- Many gatekeepers will have access to their boss's calendar — ask to get 15 minutes on the calendar

» Use flattery to help open the door. You don't want to come off as insincere, so use your judgment on how to best compliment the gatekeeper. For really important deals, sending flowers or a small gift to the gatekeeper with a note will almost always get you a meeting.

» Leverage social media to get around the gatekeeper. Try connecting with the contact on LinkedIn or send an InMail to make an introduction. You can also try tweeting at the prospect or sending a direct message via Twitter.

"If your outbound lead generation team is targeting senior executives at large enterprise organizations, you will inevitably dealing with a lot of gatekeepers. These people can either become your friends or your worst enemies. The key is to not only have confidence, but also to treat them very professionally since they have more power than you think. The most successful outbound lead generation reps that I've seen in our portfolio have differentiated themselves by making gatekeepers laugh. Humor and confidence truly do break barriers and get people to open up. Always prove that you are a real person on the other end of the line, and not just some pesky, pushy sales person."

Devon McDonald, Director of Sales and Marketing Support, OpenView Labs

» Ask to speak with Accounts Receivable. Usually when people call into AR it's to pay a bill, so gatekeepers will not usually filter those calls. Once you get AR on the phone, explain why you are calling and ask for their help. You may be surprised by what you find.

» Ask the gatekeeper a technical question to get more information on the company. For example:

    GK: "What is this call regarding?"

    You: "I am putting together a proposal for Mrs. Decision Maker and there were just a couple of other details that I needed from her to get it together. Do you know what the average daily site traffic and conversion rates are?"

» Send a calendar invite to the decision-maker the day before you call. Often times people will just accept the calendar invite, so when you call the next day they should be expecting you.

» Use the e-mail return receipt function to help time your outreach call to the decision-maker. Send your prospect an e-mail with return receipt turned on, so that you get a notification when they open it. That will indicate they are either at their desk or by their phone — a perfect time to call them.

Skill #4

Asking for Referrals

Cold calling is never easy. Outbound lead generators will only get a small percentage of the people they call on the phone, and an equally small percentage will be interested in a follow-up meeting with a sales rep. That means that once you have someone live on the phone you need to make the most of it.

If your outbound lead generation reps are doing a good job building rapport at the beginning of every call, they should be able to end every call with one simple question: "Can you think of anyone else who might be interested in this solution?" Most people are members of professional groups, industry associations, or at least know some of their peers at similar companies. Every so often they are willing to share the names of some of those people. It won't happen every time, but reps need to make the most of every conversation. Even if they only get one referral every two months, it's much better than getting no referrals at all.

Skill #5

Pre-call Research

Lead generators must earn the right to have a conversation with their prospects, and they can do so by conducting relatively basic — and quick — pre-call research. By studying a business for a few minutes before their calls, lead generators can uncover critical pieces of information that will improve their chances of catching prospects' attention.

For instance, a rep might:

» Comb through LinkedIn to find common groups and connections

» Review the prospect's social media profiles to see what information they are sharing and commenting on

» Perform a Google News search with the prospect and company's names

» Search for and read press releases about the company

» Research strategic planning announcements or annual reports

The goal is to discover some information about prospects or their companies that will show you have done more than pick up the phone and dial. And while being members of the same LinkedIn group may sound generic, it could be the touch point that encourages a prospect to let down their guard and open their ears.

Pre-call research shouldn't be a time drain, however. Vorsight co-founder Steve Richard suggests implementing a 3x3 pre-call research structure that encourages reps to uncover three key pieces of information in three minutes or less. Time is of the essence, after all, and if reps are spending 20 minutes or more studying each prospect they plan to call, it will prevent them from making the volume of calls necessary for outbound lead generation success.

Inter-team Management

Sales and marketing should never operate in silos, despite that often being the case. Having hundreds (and in some cases thousands) of conversations each month, the outbound lead generation team has a direct line to a high volume of prospects in your target market. This reality makes the function ideal for collecting insights on your company's messaging and content, as well as perceptions and trends in the market.

Many companies overlook this fact, to the detriment of the outbound lead generation team, and to the other departments that don't view and leverage their insight as a valuable asset. In fact, many outbound lead generation initiatives fall short because the team doesn't even collaborate well with the sales team, the primary beneficiary of their efforts. That is why managing collaboration between the outbound lead generation team and other teams/departments is so critical. This section covers a few areas in which inter-team management is particularly important.
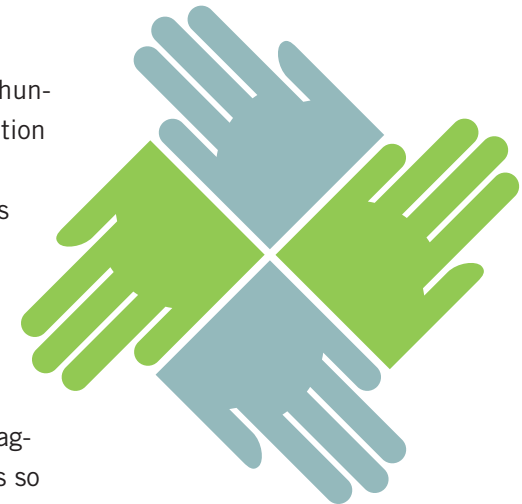
Collaboration with Sales

The first and most critical inter-team relationship that requires management attention is collaboration with the sales team. Sales reps are critical stakeholders in this process, and if you do not have their buy-in on the mission and role of the outbound lead generation team — and they do not play their role in the outbound lead generation process — your initiative will fail.

On the other hand, if they cooperate, and actively participate in the process, they will bring a tremendous amount of value to the lead generation team, their efforts, and the company. There are a number of common failure points at which this relationship tends to break down.

Lead generation reps are not administrative assistants for sales reps, and they have their own goals and objectives that they are expected to meet. Unfortunately, lead generation reps who are early in their career can easily fall into the trap of doing whatever the sales person asks them to do, even if it's not moving them toward their goals. Ultimately, this will hurt the sales reps' pipeline just as much as the lead generation reps' results. The lead generation team manager must keep an eye out for this type of behavior and put an end to it by clarifying roles and responsibilities of everyone involved in the process.

Sales reps must buy into the same definitions and process that the lead generation team is following. That means that as long as a qualified lead meets the defined criteria, sales reps must treat it as one. Sales reps need to know and play their role in the hand-off process as defined by the leadership, and they must follow up on all appointments/qualified leads that are passed to them. The outbound lead generation team manager must follow up on the leads that his or her team passes to sales to make sure that they are meeting the defined criteria and being followed up on by sales.

Besides monitoring the common failure points, outbound lead generation team managers can also take proactive measures to improve collaboration with the sales team. Encouraging lead generation reps to meet with the sales reps they support weekly or biweekly is a great way to do that. This allows them to build a good working relationship, learn each other's styles, and collaborate on different ways to penetrate accounts. It also gives the lead generation reps an opportunity to receive more direct and detailed feedback on the opportunities that are going well, and on the leads that get handed back.

Another way lead generation team managers can collaborate with sales is to meet with sales reps individually to solicit unfiltered feedback on the outbound lead generation reps and the quality of the leads being passed over. This type of meeting is also a good opportunity to make sure that the reps are following up on those leads, and following the hand-off and hand-back process guidelines.

Creating a Marketing Feedback Loop

With so many conversations with prospects in the target market segment, having a fully trained and staffed outbound lead generation team is almost like holding a microphone out to the market. That is, as long as that feedback is getting to the marketing team.

Marketing teams will invest resources and effort to develop content, messaging, and events that they think will resonate with prospects. While quantitative metrics like downloads and click-through rates provide some measure of performance, an outbound lead generation team will gather more qualitative feedback on the messaging and content directly from the target audience.

If there is a collaborative feedback loop between the outbound lead generation team and the marketing team, that qualitative feedback can be used to drive the creation of new content, events, and messaging that should perform even better.

One way to implement this feedback loop is to track key messaging-related fields in your CRM system, and to create a messaging dashboard. Messaging fields capture information such as objections that came up during the call, and the key pain points that the prospect was experiencing.

Another way to improve the feedback loop is to hold a periodic meeting between sales and marketing to collect the feedback in a discussion forum. Reviewing the messaging data from the CRM system prior to and during that meeting will help you make the best use of the time to drill into some of the interesting points in the data. This meeting is also a good time to review perceptions and trends in the market to get ideas for improved messaging and content. Rather than holding a separate meeting for this purpose, you may want to have a few people from the marketing department attend one of the outbound lead generation team's standing team meetings once a month.

Collaborating on Events

Events such as trade shows and webinars can be a great opportunity for the outbound lead generation team to collaborate with marketing. Once marketing spends money on a trade show, it makes sense to do everything possible to make it a success.

An outbound lead generation team can add a tremendous amount of value by driving prospects to register for an event, or call registrants to drive people to your booth. This type of activity needs to be organized, however, and balanced with the rest of the team's outbound activities. Be careful not let your outbound lead generation team become an events traffic team.

The outbound lead generation team can help by mentioning the event to the prospects on their target segment list. Interesting industry events are also great talking points to bring up in an e-mail to keep the content relevant and fresh. Event marketing should provide a mini asset package for each specific event including related talking points, one or two sample e-mails that can be sent to prospects, and some expected attendee profiles.

List Generation

Another area in which inter-team collaboration can be valuable is list generation. In many companies, marketing is responsible for delivering a list of suspects within the target market segment to the outbound lead generation team.

When there isn't good collaboration between the lead generation team and marketing in this area, the team can easily wind up calling a list of potential prospects that are not in the right segment and/or do not fit the appropriate buyer persona, resulting in wasted efforts from both teams. There are a number of things that the lead generation team manager and the marketing team can do to optimize this relationship through collaboration and improve the list acquisition process.

Set the right expectations with both teams

With outbound lead generation, the marketing team's job is not to deliver warm leads that are layups, but rather to deliver cold leads within the target customer segment (especially when the product is new to market). A cold lead within the target customer segment can be defined as a person, a company, or a subsidiary/business unit within a parent company. Generally, the more information that comes with the lead the better, provided it's accurate.

Control the flow of leads

There is no need to give an outbound lead generation rep more leads than they can handle in a given period of time. Leads should be provisioned on a weekly or monthly basis, in the quantity that a rep can handle. Depending on the complexity of the sale and the difficulty of getting the right people on the phone, reps should be able to handle 50 to 200 companies per month. It's also important to control the number of contacts per company that are provided to the reps. The top three to five contacts that fit the key buyer profiles at each company is plenty. As reps call through their lists, and set follow-up tasks according to your outbound process, the number of leads they will require per week or month will level off to a steady number. Controlling lead flow also helps prevent cherry-picking and helps the reps follow a consistent outbound process for each lead.

Provide regular constructive feedback

Whether the lists are generated by the marketing team, the lead generation team manager, or even the lead generation reps, holding a regular meeting to review feedback on the lead lists and list sources is very important. Lead generation reps should note recurring issues that they find with their lists and share them at the meeting. Some key areas to provide feedback include:

» Which lists/sources worked well and why?

» What additional lists/sources could potentially be targeted for scraping?

» What data was missing from the leads provided that would be helpful?

» Where/how can the data be captured?

» Can that data be captured in a scalable way, or are qualifying calls the best method?

» Where else can we find good leads that fit the target and will allow you to hit your goals?

The team responsible for list generation/acquisition can leverage a variety of sources and methods to find the best prospects. Some common data sources include:

Online Company/Contact Databases: Online databases typically offer free limited-access memberships, as well as paid memberships with access to a broader set of information. Many also offer corporate subscriptions so that companies can furnish all employees access to the database. Some allow data exports, while others such as LinkedIn function primarily as a portal or social network.

Examples: LinkedIn, Data.com/Jigsaw, Manta, Hoovers, InsideView, NetProspex, Lead411, RainKing, iProfile, DemandBase, DiscoverOrg, OneSource, ZoomInfo

List Directories, Brokers, and Providers: These companies typically leverage third-party databases and sell a list of leads that fit a set of criteria, as opposed to selling access to the database.

Examples: ContactDB, infoUSA, BB Direct

Published Company Lists: Business journals and publications will often publish their own lists of the top companies in a particular category. These lists are typically free and publicly available, but some specialty publications will charge a fee for access to the entire list and related data. Some of the categories are quite general, such as the Fortune 500 (the 500 largest companies by revenue), while other lists are much more specific, such as the IR 500 (largest Internet retailers), or the VAR500 (largest value-added resellers).

Examples: Fortune 1000, Fast 500, Inc. 5000, S&P 500, IR 500, VAR500

Specialized Directories/Groups/Associations: A wide range of specialized directories, groups, and associations can be used to find companies within a specific vertical or category. Many of these are free to access but are not always set up as directories, so they require some additional effort to find information on the members in the list. While these can be great sources, they often are not easily identifiable. This is where feedback from the lead generation team can be very helpful, pointing the list generation team to an excellent source of leads that they may not have found otherwise.

Examples: National Center for Educational Statistics (education), Flex Monitoring (critical access hospitals), Redbook (advertising and PR), Crunchbase (technology), local chambers of commerce (small business across verticals), Clinicaltrials.gov (biotech and pharmaceutical), Biospace Regional Groups (biotech and pharmaceutical)

Website Metrics Databases: In recent years, a number of companies have started collecting website analytics and creating databases to track the information. Some of these sites offer paid and/or free access to the databases, which can be used to generate a list of companies based on their website traffic, number of pages, website applications, advertising networks, and other data points.

Examples: Alexa, Quantcast, Compete, comScore, GeoEdge

Any help you can get from other teams on the list generation process should be welcomed. After all, the less time your reps spend sourcing lists, the more time they can spend on the phone with prospects. However, while other teams can help with the process, your lead generation reps will also need to be adding their own new contacts to the CRM system as they map out their accounts. While buying and scraping lists can help get a foot in the door, it almost always takes dozens of phone calls to identify the people who are truly involved in the buying process.

Designing a Relationship Marketing Program

The goal of any relationship marketing program is to drive awareness, interest, and purchase for all prospects that enter a buying process. Doing this extremely well (which most companies do not) requires the ability to pick up on buying signals, and deliver the right content to the right prospect at the right time through the right channel. The outbound lead generation team is one of those channels.

The ultimate collaboration between outbound lead generation and marketing occurs when the outbound lead generation team can add the prospects that they engage to the relationship marketing program, and function as an integrated part of the program. The key elements of a relationship marketing program include understanding the target market segments, buyer personas, stages in the buying process, content, and the systems to manage the entire program. Additionally, the marketing team will have its own metrics to measure the performance of the program. Because a true relationship marketing program has so many moving parts, executing this well can only be done with a truly collaborative effort.

Leveraging the Right Tools for Outbound B2B Lead Generation

People in business often make the mistake of thinking that technology and automation are the keys to success. If a business process is not delivering the desired results, then that must mean that some kind of technology is required to manage and automate it. In reality, when a business process is not delivering the desired results, it usually means that there is something wrong with the process, or the people. What technology can do, if used correctly, is augment and enhance an existing process by making it more efficient and easier to measure.

CRM Best Practices for Outbound Lead Generation

The customer relationship management (CRM) system is the core technological tool of an outbound lead generation team. This section will cover some of the considerations and best practices for setting up a CRM system for an outbound lead generation team. There is a wide variety of CRM systems available in the market, but the one most commonly used by expansion-stage software and Internet companies is salesforce.com. As a result, while many of the suggestions below apply to any CRM system, some of them will be specific to salesforce.com users. Some other options for CRM vendors include Aplicor, Entellium, Microsoft Dynamics CRM, RightNow, SugarCRM, Anteil, Compiere, Daffodil, Vtiger, SAP, Oracle, and ACT!

Factors to Consider

Technology is a way to facilitate an existing process, in this case outbound lead generation. Before you start implementing a new CRM system or changing an existing one, take a step back and make sure that you have documented your outbound lead generation process. Once you have defined all of your statuses and metrics you will be able to make informed decisions on the following considerations.

Leads vs. Contacts and Accounts

Most new CRM systems have separate database tables to store information for leads, contacts, and accounts. Having three separate tables for each object is constantly a point of confusion for new and existing CRM users. To avoid some of the most common pitfalls that new CRM users experience — such as the proliferation of duplicate data, inadvertently calling customers thinking that they are prospects, and inadvertently calling prospects that are already involved in an active sales cycle — you need clarify for your own users when and how Leads, Contacts, and Accounts should be used.

A CRM system can be configured and customized in an infinite number of ways, so only you can decide what is right for your organization. Having some knowledge of how the different objects work will be useful in setting up your system. For salesforce.com users, the following information should be considered in your decision.

» Leads offers many benefits for inbound inquiries. If your website is a prominent source of leads for your sales/marketing team, you should use Leads in salesforce.com.

» Leads are not easy to group into one company. If your team is focused on a small set of target accounts, and you want to be able to track your penetration into those accounts, then Leads may not be right for you. However, if the companies in your target segment are relatively small, and don't have more than one or two target buyer profiles, then this should not be an issue.

» Many contacts can be grouped onto a single account. This will allow your team to easily keep track of all of the contacts at a given company and easily see when they were last contacted. Accounts will also aggregate all activity that gets logged on any of its child object relationships.

» Contacts and accounts separate company and people information onto separate records. If you need to easily keep track of how many companies you are targeting, as opposed to people or opportunities, you can only do that with Accounts and Contacts.

» Most importantly, if you decide to use Leads, you absolutely need to document guidelines for when to convert a lead to a contact and account, and how to handle new leads that are related to accounts that already exist. If you do this effectively and train your team to follow the guidelines, it will save you and your organization a tremendous amount of pain in the long run.

Data Model

Once you have decided which database tables (Leads vs. Contacts and Accounts) you are going to use to manage your prospects, you'll need to decide which information you're going to capture in the fields on those records. This may seem easy, but the real challenge is limiting yourself to only the most important data for each object. When building a data model you need to balance the robustness (the number of fields) and the quality (accuracy of the data). If you set up your system to be very robust and ask your users to fill out too many fields, they will likely get frustrated and leave fields blank, or enter inaccurate information. On the other hand, if you ask your users to only fill out only one or two fields, they will probably fill them out on all of their records, but you will likely be missing out on some other valuable data that can be used for segmentation and targeting. The key is to find the right balance.

To decide which fields to include in your data model, start with basic contact information for all your records: name, company, title, e-mail, phone, and postal address. You may remove lesser-used fields like fax number.

Then go back to your target segment definition and add the fields that you need in order to segment your prospects. For example, if your target market segment is retail banks with more than five locations, you will want to add a field for:

» Industry (with pick-list values)

» Number of locations

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You will also want to add fields to capture the qualification criteria as you have defined it in your lead management process. For example, if your qualification criteria are that a prospect has at least three people in the marketing department, an active online banking initiative, and is planning to launch a mobile application in the next three months, then you would want to add the following fields:

» Number of people in marketing

» Online banking initiative

» Time frame to launch mobile app

You can then use these fields to easily ensure that all of the qualified leads that your team generates have met the qualification criteria, without digging through free form call notes.

Finally, you will want to add fields that help you track your messaging and your process. These fields should include the following:

Field Name	Description	Sample Pick-List Values
Lead Status	A pick-list field with the lead statuses that you defined in your lead management process.	Open, In Progress, Contacted, Suspect, Sales Qualified, Nurture, Unqualified
Nurture Reason	Fill out this field any time a lead fits in the target segment, and has completed the outreach process, but does not meet the qualification criteria. This allows you to track objections, and reasons why target prospects are not currently qualified. Possible values will vary based on your product.	No response, using competition, not current priority, no budget, not relevant contact
Pains/Goals	Fill out this field any time a lead is qualified and converted to a sales qualified lead. This allows you to track the reasons why people are interested, and value propositions that are resonating. Possible values will vary based on your product.	Increase online revenue, increase engagement with customers, improve customer service

While this may seem like a large number of fields to fill out, keep in mind that a number of them should already be completed when the lead enters the CRM system, such as basic contact information and any available segmentation data. Another large portion of the fields only need to be filled out after a conversation, such as Qualification Criteria, Pains/Goals, and Nurture Reason. Only the Lead Status field needs to be filled after each touch point. Limit your data model to only the most important data to capture. This will help ensure that your data is both robust and accurate, and that your users are not stuck updating fields that no one is using.

Reporting and Dashboards

Once your CRM system is configured to your specifications you can start building reports and dashboards. However, with all of the CRM data at your fingertips, knowing what to report on and how to report on it can be a challenge. This section explains the four main areas that you should report on for managing your outbound lead generation process, and some tips for how to implement the reports in salesforce.com. The four areas are activity, productivity, process, and messaging and segmentation data.

Tracking Activity

As mentioned in Chapter 3, tracking your team's activity is important because these metrics tell you what your reps are doing and how long it takes them. This can help you and your reps better manage their time. You will also need to track activity to report on process metrics such as touches per qualified lead, which will help you adjust your outbound process and ensure that all leads are getting the same treatment. The activities you should track include:

» Calls (includes leaving a voicemail, not leaving a voicemail, and having a conversation)

» Conversations

» Appointments

» Total activity (e-mails, calls, and conversations)

Whichever activity metrics you choose to track, defining them is critical. Unless your phone system is completely integrated, calls and conversations will be logged manually by your reps. That means you will need to specify whether a conversation is with a gatekeeper or a decision-maker. However you define your activity metrics, the important thing is to have consistency across your team. Activity should be tracked on both short-term and long-term periods to aid in time management, and to show the impact of aggregated activity over time.

Here is an example of what an activity reporting dashboard for small lead generation team might look like:

To make getting this data out of your CRM system a little bit easier, try the following tips:

» Make sure that you have set up the correct pick-list values in the Activity Type field. That way when your reps try to log an activity, they can only choose from the Activity Type values that you want to track. We recommend the following values:

   » E-mail

   » Call No Voicemail

   » Call Voicemail

   » Conversation

   » Appointment

» Make fields used for activity reporting such as Activity Type and Date required, or set up a validation rule to make sure that reps are filling them out. Both Activity Type and Date are standard fields in salesforce.com, but neither is required by default. If these two fields are not filled out properly, none of these example reports will work properly and the numbers will be skewed.

» Once you've created all of the reports to track the key activity metrics, add them to a dashboard that your team uses in real time to track their own activity, and see how they stack up against their peers.
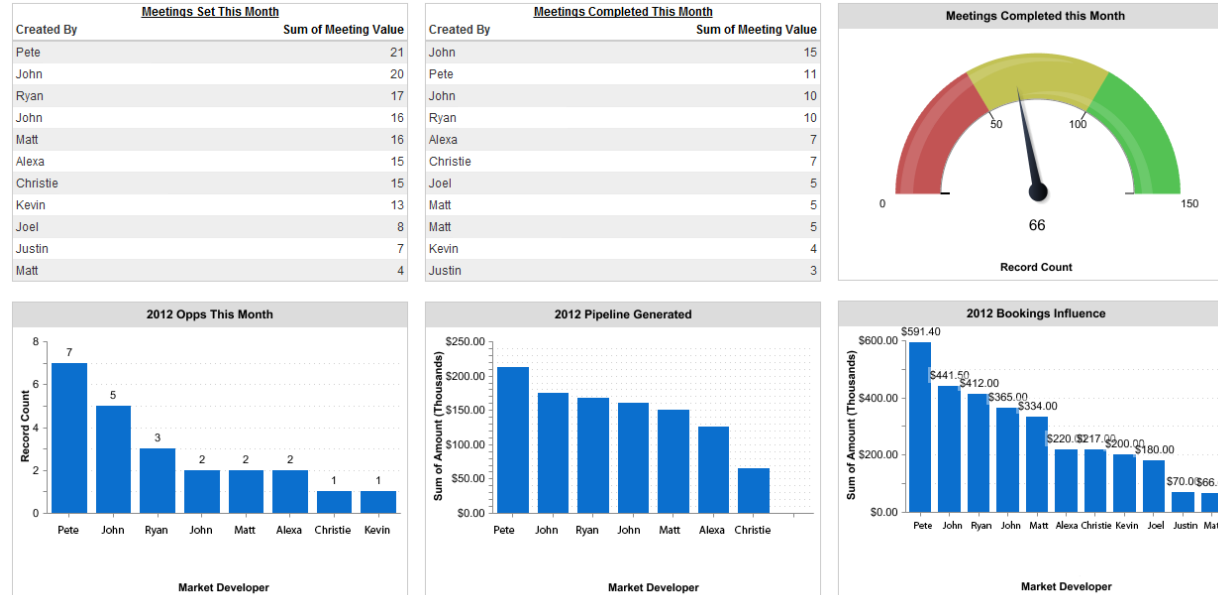
Tracking Productivity

Tracking your team's productivity in the CRM system will allow you to report on the results metrics mentioned in Chapter 3. These metrics will show you the results of the team's activities and the true impact of their efforts. Productivity metrics are also usually the metrics that are included in your reps' incentive compensation plans, so these reports will show you and your reps how much money they are going to make. When tracking productivity, make sure to track the following metrics in your CRM system:

» Appointments Set

» Appointments Completed

» Opportunities Created (number/amount)

» Opportunities Closed (number/amount)

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Here is an example of what that might look like in a salesforce.com dashboard:

Meetings Set This Month	
Created By	Sum of Meeting Value
Pete	21
John	20
Ryan	17
John	16
Matt	16
Alexa	15
Christie	15
Kevin	13
Joel	8
Justin	7
Matt	4

Meetings Completed This Month	
Created By	Sum of Meeting Value
John	15
Pete	11
John	10
Ryan	10
Alexa	7
Christie	7
Joel	5
Matt	5
Matt	5
Kevin	4
Justin	3

Reporting on this data in salesforce.com can be pretty straightforward if you are comfortable using the system and you understand how it's structured. When you set up the data model in your CRM, make sure that it supports tracking these metrics. If you are using salesforce.com, you'll need to decide which database object you are going to use to track this information. Here is the simplest and most scalable way to set up salesforce.com to track these metrics:

» Use the Activity database object to track Appointments Set and Appointments Completed. This allows you to create and track results for multiple appointments in the same company.

» Use the Opportunity database object to track Opportunities Created and Opportunities Closed.

» Add a field to the Opportunity database object to track the name of the lead generation rep who set up the appointment. This enables you to tie pipeline or bookings influence back to the individuals who generated them.

If you set up your system as described above, you'll be able to easily generate reports to track the key productivity metrics. Once you've created those reports, add them to a dashboard like in the example above.

Tracking Process

Process metrics can be the most difficult to track in a CRM system like salesforce.com. In salesforce.com, Leads, Contacts, Accounts, and Activities are all separate database objects, which can make it challenging to re-create a table like the sales activity funnel and pull conversion rates in a salesforce.com report. However, process metrics like the number of leads by status assigned to a given rep will tell what your team is working on, and how efficient their work is. This can also help you manage the flow of leads going through your qualification process, the team's workload, and any leads/contacts that might be falling through the cracks. To track process metrics such as conversion rates for call to conversation and conversation to appointment, it's usually easier to export and manipulate the data in Excel, or to plug the numbers into a funnel template like the one described in the Chapter 2 section on the sales activity funnel. However, salesforce.com is an excellent tool for tracking the other process metrics, including:

» Leads/Contacts by Status

» Campaign Member Status

» New Prospects

» New Qualified Leads/Contacts

Here is what a few of those components might look like in a dashboard within salesforce.com:
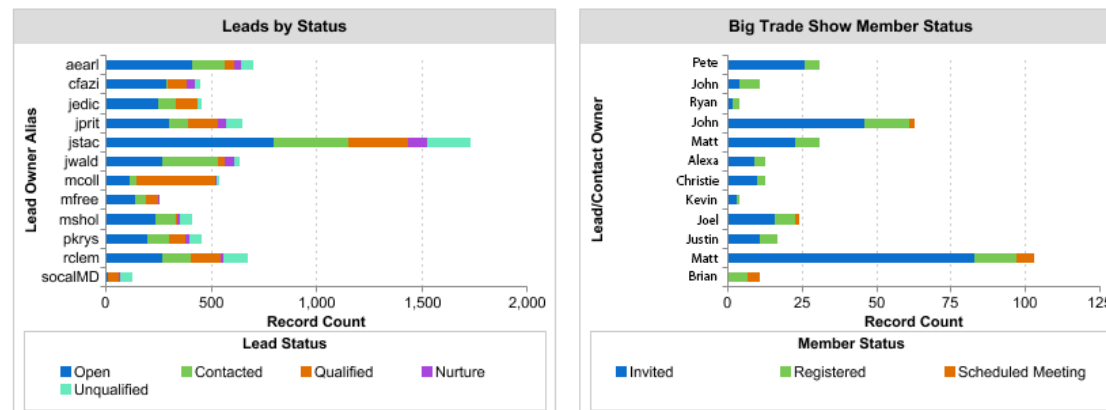
Here are a few tips on reporting on process metrics in salesforce.com:

User adoption is the key to the tracking process. If your reps don't update the lead/contact status appropriately, then you will never have accurate data. Review these reports at the weekly meeting to make sure that leads are flowing through each lead generation rep's process. Building views filtered by the lead/contact status is a good way to help drive user adoption, because reps are forced to update the lead/contact status to remove it from their view.

Use exception reports to manage process compliance, and make sure that leads are not being neglected or falling through the cracks. For example, you can create a component on your process dashboard that only shows leads where the lead status is in progress and the last activity was more than 15 days ago to highlight the leads that probably need to be followed up on ASAP.

Use campaigns and campaign member statuses to track campaign-specific processes like setting up meetings at a trade show. For example, in addition to your standard lead status, you can create campaign statuses like invited, registered, and meeting scheduled.
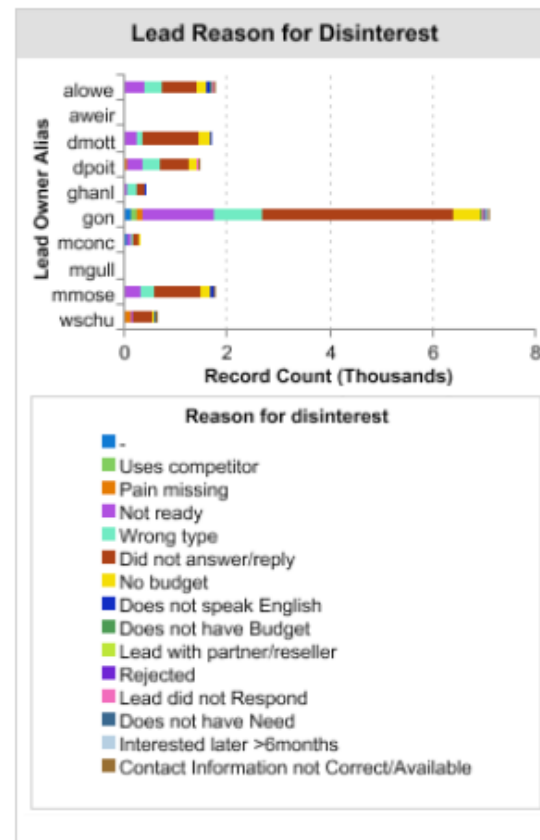
Tracking Messaging and Segmentation Data

Using your CRM system to track messaging and segmentation data is one of the most powerful things that an outbound lead generation team can do. Once you come up with a way to codify and structure the data that you are trying to collect, you can populate pick-list fields in the CRM system to allow your team to capture important insights in a consistent way. As this data accumulates, you can begin to use it to your advantage to retarget prospects who gave a particular objection, or are using a certain competitor, or who just didn't relate to your messaging. You can also use this data to quickly test and validate new messaging that appears to be resonating with prospects. Some key messaging data points that you can easily capture in your CRM system include:

» Nurture Reason (objections/why the lead is moved to Nurture or Unqualified status)

» Pains/Value Proposition (the reason the prospect is interested in your solution)

» Competitors

Here's an example of what some components in a messaging dashboard might look like:

Messaging

Lead Reason for Disinterest

Reason for disinterest
- ■ -
- ■ Uses competitor
- ■ Pain missing
- ■ Not ready
- ■ Wrong type
- ■ Did not answer/reply
- ■ No budget
- ■ Does not speak English
- ■ Does not have Budget
- ■ Lead with partner/reseller
- ■ Rejected
- ■ Lead did not Respond
- ■ Does not have Need
- ■ Interested later >6months
- ■ Contact Information not Correct/Available

Messaging

Lead Pains

Pain	Record Count
Analytics for Advertisers Uploading, No mobile	1
awful format hard to push information - mobile strategy is important	1
client needs digital solution	1
clients needs digital version of print mag	1
client wants digital version of print mag with video	1
constant contact is boring	1
digital editions	1
doesn't like advertising	1
dont have anything to engage FB visitors	1
drive more traffic to their auctions. Largest hocket auction house	1
engagement	1
enrichment	1
Expensive current solution with little functionality	1
expensive to print and mail 500k products	1

Here are a few tips on reporting on messaging in salesforce.com:

Creating and implementing these reports and dashboard components will require a few custom fields and pick-list values. When adding the Nurture Reason field, we recommend using a pick-list and making it a dependent field that only shows certain options based on which Lead Status is selected. That way, when the Lead Status field is changed to Nurture, the user is forced to choose from a list of objections in the Nurture Reason field. Below are some generic objections that can be used as pick-list values in the Nurture Reason field; however, we recommend adding values that are more specific to your product and sales process.

» Use competitor

» No budget

» Not interested in offering service

» Do not offer e-mail hosting

» No response

» Other (if other, set validation on open-text field for other criteria)

If you've implemented the Nurture Reason field as a dependent pick-list, you'll also be able to use this field to classify your unqualified leads by exposing different pick-list values when the Lead Status is changed to Unqualified. Add these additional pick-list values to the Nurture Reason field to display when a user changes the Lead Status to Unqualified:

» No company fit

» Not a real person

» Bad data

» Other (if other, set validation on open-text field for other criteria)

To create a report and/or dashboard component based on a pain or value proposition like the one above, you'll need to implement a custom field on Leads and/or Contacts. For the Pain field we recommend using pick-list or a multi-select pick-list field. For the values in this field you'll want to list the top five to eight pains or value propositions that are associated with the different buyer profiles that your team will be targeting. To help ensure that your reps are collecting data in the Pain field you can set up a validation rule based on Lead Status. It's likely that the prospect will only have one of the relevant pains if they are actually qualified, so set up the validation rule to make the Pain field required when the Lead Status is changed to Prospect or Qualified.

Additional Technologies

In addition to the CRM system there is a variety of other technologies that you can leverage to make your outbound lead generation team more efficient. The Bridge Group categorizes additional technologies that can help outbound lead generation teams improve performance and efficiency: business intelligence tools, dialing tools, and calendaring and e-mailing tools. Below we describe the top three: business intelligence tools, dialing tools, and e-mailing tools.

Business Intelligence Tools

Business intelligence tools most frequently help with pre-call planning by providing lead generation reps with additional information about a prospect such as news, contact information, or notifications when a trigger event occurs. When used correctly these tools can help lead generation reps save time by aggregating data, notifying them when an interesting event occurs, and providing them with additional contacts and contact information. A few examples include vendors such as LinkedIn, InsideView, OneSource, and SalesLoft. Tools such as Google Alerts can also be used for business intelligence if set up correctly, providing notification when news and updates hit the web related to your prospects, products, or competitors.

Dialing Tools

Dialing tools will help save your reps time by automating one very simple yet necessary part of their job: dialing the phone. Although dialing a 10-digit phone number only takes about 5 to 10 seconds, if your reps are making tens of thousands of calls per year, those seconds add up to hours and days. Over time, shaving off a few seconds per dial can result in a lot more calls. Dialing tools come in different levels of automation and integration with your CRM system. Some tools such as Skype offer a very simple click-to-dial functionality whereby reps can click on a phone number in the CRM system and it will dial the number via Skype. Of course, you would have to open a Skype account and use it as your primary phone system if you want to take that approach. Most CRM systems offer a variety of other ways to set up click-to-dial with your existing phone system with a bit of custom development.

The next level of dialing tools includes vendors such as InsideSales.com, LiveOps, Angel, and InContact, which are hosted phone systems that will integrate with your CRM system. These systems offer click-to-dial functionality, but will also automatically log calls, talk time, and open popups for call notes on the contact when a call connects. Some tools such as Connect and Sell and ConnectLeader are specifically designed for outbound lead generation. They allow your reps to set up a call list, and then automatically dial through the list until someone answers the phone. Then they connect the rep to the first person who answers. The system can process hundreds of calls per hour, so your reps' efficiency can increase significantly if your data is clean and has direct phone numbers for most of the contacts.

E-mailing Tools E-mailing tools are another great time-saver for outbound lead generation reps. Most CRM systems allow you to send e-mails directly out of the CRM system. Creating standardized templates and loading them into your CRM system can be a major time-saver. However, often the e-mails that are sent out of the CRM are not as aesthetically pleasing, and have a tendency to get caught in spam filters more so than e-mails sent directly out of a typical e-mail application like Outlook or Gmail. Conveniently, most CRM systems have connectors that will integrate your CRM system with your e-mail application, allowing your reps to send an e-mail through the e-mail application, and attach it to the record in the CRM all with one click. There are also new e-mail plugins and applications such as Yesware and ToutApp that let you know when a prospect opens your e-mail.

Technology is Not a Cure-All

While tools like a CRM system, business intelligence software, dialing systems, and e-mail are all very useful technology to supplement and streamline your outbound lead generation initiative, it's important to reiterate that they cannot heal a broken outbound prospecting system. If your outbound lead generation program has proven inefficient, unproductive, or mismanaged, no amount of technology will magically fix it.

That said, technology can help you diagnose holes in your outbound lead generation program or analyze its performance over both short and long periods of time. Furthermore, if your lead generation initiative is already producing at a high level, the tools listed in this chapter can augment and enhance your existing processes.

It's important to understand what technology can and cannot do for your operation, and leverage it in the proper context.

"When selecting a sales intelligence platform, usability is paramount. Remember you're purchasing this product to save your reps time while delivering them actionable intelligence. While ease of information consumption is vital, the system's ability to enable reps to act upon that information is equally important."

Kyle Porter, Founder, SalesLoft
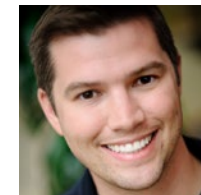
End Note

For expansion-stage companies with direct sales organizations, there's little question that building an outbound lead generation initiative can be hugely beneficial to their bottom line. Executed in the proper context, in fact, it can allow a business to more efficiently identify and vet prospects in a specific market segment, better understand how certain marketing messages are resonating with that market, and ultimately create more — and better — sales opportunities.

But as this eBook has shown, it's not enough to simply realize that outbound lead generation could benefit your business and then begin executing it. To be effective, there's a bevy of information that you need to know about your market and its buyers before ever hiring your first outbound lead generation rep. And you should never blindly create a lead generation program until you're sure that it aligns with your company's stage, maturity, sales process, and sales economics.

In fact, simply creating an outbound lead generation team — even in the right context — is not a guarantor of success. To be highly productive, outbound lead generation requires significant short- and long-term commitment from the CEO on down, and success is often dictated by several key factors, including:

» Hiring the right people

» Creating and following a disciplined prospecting approach

» Managing and motivating people effectively

» Fostering interdepartmental communication

» Setting the right goals and progressively measuring progress

» Making systematic adjustments as necessary

But if outbound lead generation aligns with your company's sales process and economics, and you happen to be an expansion-stage company that also needs to validate its message and develop brand awareness, then building an outbound prospecting team should be a no-brainer.

Going forward, the information delivered in this eBook should provide a framework for the many nuances and complexities of building — or improving — a high-functioning outbound lead generation program. And as MECLABS' Brian Carroll alluded to in the foreword, doing that just might help your growing company overcome a very significant challenge that many successful businesses — including, most likely, your top competitors — face every day.

Appendix

Sample E-mail Series

E-mail 1

Subject: Your [Insert reference to blog post, article, product, or campaign]

Mary,

In researching your company I saw [FILL IN THE BLANK]. This prompted me to reach out to you because we work with a number of other retail brands to help them increase the conversion rates and average order size from their online shoppers. We are the leader in taking content (like Retail Catalogs) and making them very interactive, optimized, and streamline shopable on the web, iPads, iPhones, and Facebook. Some of our notable clients include Macy's, Bass Pro Shops, and Zara.

Who is the best person to speak with at your organization about our solutions?

Sincerely,
[Insert name]

E-mail 2

Subject: [Your company name]. [Prospect company name]

Hi Katie,

We have not met, but I do love your [name of prospect company's products]. I thought that my company's product seems to be an awesome fit for [prospect company], and I'd love to get your feedback — especially in light of your digital initiatives. We are the leader in taking content (like Retail Catalogs) and making them very interactive, optimized, and streamline shopable on the web, iPads, iPhones, and Facebook. Your customers never have to leave the digital catalog experience for ANYTHING other than to check out. It would just seem like a real obvious fit. You have some great content.

This is an example of what we do. We can take your print or digital assets and turn them into something like this—[Insert links to customer examples]

Interested? What day/time works best for you later this week for a brief call?

Best,
[Insert name]

E-mail 3

Subject: do you have 5 minutes?

Hi Steve,

I sent you an e-mail a few days ago to introduce myself. I was hoping to get five minutes of your time to walk you through an example of how some other innovative retailers have been using our technology to create an inspiring brand experience.

Here is a good example of what we do: [Insert link to customer example]

I'm free at [days and times]

Please let me know what works best for you.

Thanks,
[Insert name]

E-mail 4

Subject: [Your company name] customers making News with their Digital Catalogs

Hi Tom,

Thought you might be interested. Couple of good reads on how Macy's and Zara are leveraging [your product name] and how it is going. It would be great if we had a chance to talk about your strategy and see if there is a fit.

[Insert links to articles related to customers using your products]

Best,
[Insert name]

Checklists for Getting Started

Checklist for the CEO/Executive Team

Use the following checklist to ensure that your outbound lead generation effort will have the greatest probability of success. The executive team should ensure that all items are checked off and the outbound lead generation team manager should ensure that the executive team is following through on the checklist.

- ☐ You have discussed, prioritized, and approved this effort as a corporate initiative.

- ☐ You have set quantitative goals for this effort.

- ☐ You have hired and/or reallocated an existing employee to manage the outbound lead generation team who is committed to the goals.

- ☐ You have communicated the importance of this initiative to the entire sales and marketing organization, and have made clear that it is an important priority.

- ☐ The outbound lead generation team manager has developed a work plan to launch the initiative, and we have approved the resources that will be necessary to execute the plan.

- ☐ The outbound lead generation team manager will be reporting the results to us weekly and quarterly and we know what to expect.

- ☐ You have hired a team of outbound lead generation representatives and they are committed to their daily/weekly/quarterly goals.

- ☐ You will adjust the communication and the goals based on the results of the initiative.

Checklist for the Outbound Lead Generation Team Manager

As the manager of an outbound lead generation team, it is imperative that many processes and tasks are completed/in motion before your reps start dialing. Launching an outbound lead generation initiative is not as simple as hiring a cold-caller, giving them a list, computer, phone, and saying, "Start calling!" Use this checklist as a guide to stay on track when kicking off this initiative. If you are able to check all of the following boxes, your team is very likely to be successful.

- ☐ You have a clear understanding of the market segments that your team will be targeting.

- ☐ You have identified your target buyer profiles within those segments.

- ☐ You have established a definition of a sales qualified lead that has been agreed to by the sales and marketing teams.

- ☐ You have established, defined, and documented your lead management process.

- ☐ You have established the metrics that your team will be accountable for based on your sales activity funnel.

- ☐ You have configured your CRM/SFA system to support your outbound lead generation process.

- ☐ You have developed an asset package for your target market segment.

- ☐ You have developed a training schedule prepared for your new hires, and all content/resources necessary for training.

- ☐ You have successfully hired a team of skilled business development representatives.

- ☐ Your team is engaged and eager to hit their established metrics.

- ☐ A model day for success has been developed and you and your team members are committed to following the schedule.

- ☐ There is a defined process for handing off leads to the sales team and both the outbound lead generation team and sales team are trained on and committed to that process.

- ☐ You have established a weekly and monthly management rhythm to manage your team and collaboration with other teams.

- ☐ You have developed a weekly and quarterly report template to present to the CEO/executive team.

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Checklist for the Outbound Lead Generation Rep

Whether this is your first job as an outbound lead generation rep, or you have years of experience, it's important to review the following checklist to ensure that in your new position, you will be set up for success.

- ☐ Your manager has explained the target buyer profiles that you should be calling, and you thoroughly understand both their characteristics and responsibilities.

- ☐ You have been presented with the definition of a sales qualified lead.

- ☐ You clearly understand your goals and key performance indicators by which you'll be measured on a daily, weekly, monthly, and quarterly basis.

- ☐ You have received thorough training in areas such as market overview, product knowledge, competitive landscape, using sales collateral, objection handling, and role playing, and have been given supporting materials to help you succeed.

- ☐ You have been instructed on how to log in and use the CRM system effectively.

- ☐ Your manager has presented you with a "model day for success" and you are working toward that schedule.

- ☐ You understand the process for handing off sales qualified leads to the sales team.

- ☐ You have a weekly, monthly, and quarterly meeting rhythm with your team to reflect, share feedback, and review your progress.

- ☐ You submit a report to your manager that indicates your activities/successes for the day, and you send a summary at the end of each week.

Common Challenges and Solutions

Challenge	Solution
Other teams (sales, marketing, and product management) are not aware and in sync with your outbound lead generation initiative.	Communicate to the teams that are struggling with the role and goals of the outbound lead generation team, the priority of the initiative within the company, and their role in the process. Make sure to highlight how they can benefit from working with the outbound lead generation team.
Lack of transparency as to what the outbound lead generation team is actually accomplishing.	Implement daily e-mail updates sent out by the outbound lead generation reps to stakeholders (see page 47 for template). If you are a using a CRM system, implement reporting dashboards for the key metrics.
The team's call-to-conversation conversion rate seems too low.	Compare the current conversion rate to past performance. If you don't have past performance data, Bridge Group's 2012 Lead Generation report found that the average call-to-conversation conversion rate was 12 percent. Identify the individual reps that are bringing down the conversion rate and work with them on their activity mix, and e-mail and voicemail skills to help drive better conversion. You may also have a problem with the quality of the list. Consider working with a third-party data provider to augment your list.
The team's conversation-to-appointment conversion rate seems too low.	Compare the current conversion rate to past performance. If you don't have past performance data, Phone Works' 2011 Sales Development Metrics Snapshot found that the average conversation-to-appointment conversion rate was 34 percent. Identify the individual reps that are bringing down the conversion rate, sit on calls with them, and work with them on their messaging and phone skills such as building rapport and pattern interrupts.
The outbound lead generation reps are not delivering the right messaging.	You didn't do a good enough job onboarding your reps. Make sure you have a clear understanding of your target market segment, buyer personas, and the messaging that works best for those buyer personas. Then train your team, and sit on calls to make sure that they are making the right adjustments.

Challenge	Solution
The outbound lead generation reps aren't completing enough activities each day to get hit their numbers.	Make sure that your numbers are realistic. Reps should easily be able to complete 75 to 200 activities (calls and e-mails) per day. Find out what is preventing them from achieving their daily goals, and help remove those impediments. Using the model day (see page 51) may help in this situation.
The outbound lead generation team is missing their numbers and lacks focus and direction.	You need an outbound lead generation team manager. If you have one already, you may need a new one.
Leads seem to be falling through the cracks after they get handed off to the sales team.	You need to improve your hand-off process (see page 33) and collaboration with the sales team (see page 64).
Your reps have called through hundreds of leads and you don't know where they are in the process.	You may need to improve and/or clarify your lead management process. Make sure that your leads statuses are discrete, and that reps know what they mean. If you have a CRM system, make sure you've implemented the lead management process in your CRM and that your reps are using it.
Your outbound lead generation reps are setting up appointments that aren't really qualified.	This can happen if you don't have a good definition of "Qualified" that must be met before an appointment is scheduled. To drive the correct behavior, make sure that your compensation plan is set up to pay reps for appointments with Qualified leads. Feedback from the sales reps can also help them improve their qualification.

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About OpenView Labs

OpenView Labs is the strategic and operational consulting arm of OpenView Venture Partners, a global Venture Capital fund that invests in expansion-stage technology companies.

More Information
Visit the OpenView Labs website for more ideas and inspiration for senior managers of technology companies.

To learn more about OpenView Labs or OpenView Venture Partners, contact us directly at (617) 478-7500 or info@openviewpartners.com.

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