

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING



A step-by-step guide to creating
a successful business-to-business
“marketing for leads” program.

M. H. “Mac” McIntosh

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

A step-by-step guide to creating a successful business-to-business “marketing for leads” program.



M. H. “Mac” McIntosh

M. H. “Mac” McIntosh is one of America’s leading business-to-business marketing and sales consultants and an expert on the subject of sales leads.

The primary objective of a successful marketing program is to bring in new business. Marketing programs include many elements, ranging from brand building to market research. But no single part of a business-to-business marketing program is more important than generating qualified sales leads.

“Marketing for leads” drives sales. Done correctly, it will increase the bottom line and help the company achieve its growth goals. Marketing programs that are bottom-line oriented focus on generating, nurturing and qualifying sales leads.

In this guide, you will learn, step by step, how to create a successful business-to-business marketing for leads program.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

DETERMINE GOALS

Step 1: Set goals at three levels.

To succeed, your marketing for leads plan must reflect sales goals. Therefore, your first step is to gather information needed to determine your company's goals for sales revenue in the coming year.

Sales revenue goals need to be stated at three levels:

To succeed, your marketing-for-leads plan must reflect sales goals

Minimum goal. What sales revenue do you need to stay in business without layoffs? How much revenue is required to meet payroll and cover

other costs of doing business? What will it take to keep your company's doors open?

Target goal. Where would senior management like your company's sales revenue to be? If you are at a current run rate of \$4 million, and they say they want to grow 25 percent, your new sales revenue goal is \$5 million.

Stretch goal. If your management wants to get really aggressive, what revenue goals would they like to achieve? Perhaps they would like to double—or even triple—your company's business in the coming year.

There is a straightforward way to determine your company's sales revenue goals. Interview the senior executives at your company, either serially or in a joint meeting. The executives to interview include the business and financial decision-makers (e.g., chief executive officer, chief operating officer, president, owner, partner, chief financial officer, controller, head of accounting) and the internal customers of your marketing programs (e.g., vice president of sales, director of channel sales, sales manager).

Remember, you are looking to determine your minimum, target and stretch goals. If the executives describe the goal in terms of company growth rather than in dollars, convert it into a dollar figure. If the executives say they want the company to be the "biggest" in the industry, look at the sales revenue of all your competitors and set your sales revenue goal above that of the industry leader.

If the various executives you interview state different opinions about corporate goals, you will need to negotiate a consensus. This may be as easy as pointing out the discrepancy to them. It is not uncommon for the executives to have different answers about goals. It is a service to the leadership of the organization when the marketing executive is willing to go back and forth between them to arrive at a unified opinion.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

CONSIDER NEW BUSINESS

Step 2: Determine the percentage of your company's revenue that needs to come from new business.

As you state your company's sales revenue goals, consider not only the amount of new business you will need to grow to the desired level, but also the amount of new business required to replace business you will lose during the targeted period.

If your goal is a 25 percent increase in sales revenue, how much new business do you need to secure? Say your current sales revenue level is \$4 million. At first, it appears you need an additional \$1 million in sales to meet the goal. However, if you really need \$2 million in sales during the forecast period just to replace lost business and stay even, you will actually need to add \$3 million in new sales revenue to meet your goal.



Step 3: Determine the percentage of your company's new business revenue that needs to come from marketing-generated leads.

The next step focuses on determining how many leads your marketing programs need to generate so that the company can meet its sales revenue goals.

Some people may get involved in an old argument, "Why do we need marketing? We have a robust sales force that is

How Much New Business Do I Need?

The following calculation will help you to determine the amount of revenue from new business your company will need to generate from marketing leads to meet its revenue goals.

Your company's current year's sales revenue \$ _____

The percentage of business you typically lose during the course of the year x _____ %

The sales revenue from new business your company must generate during the next year just to stay even = \$ _____

Additional sales revenue from new business needed to meet the new sales revenue goal + \$ _____

Total revenue needed from new business to meet sales revenue goal = \$ _____

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

What is the Cost of a Business-to-Business Sales Call?

The average business-to-business sales call cost \$329 in 2001, according to Cahners Research. This figure is based on responses from 23,341 businesses. Additional key findings of Cahners' study include the following facts:

1. A typical business-to-business sale that exceeds \$35,000 takes an average of 5.12 sales calls to close.
2. Less than 20 percent of sales efforts focus on prospective new clients.
3. The average number of sales calls taken by customers over the phone is 4.61 per week.
4. On average, customers have only 1.81 in-person meetings per week with salespeople.
5. Seventy-five percent of the companies studied say that making a sale valued at more than \$35,000 requires a combination of direct and indirect sales efforts.

capable of bringing in sales. Why bother with a complicated marketing plan?" The fact is, even with a capable, motivated sales team—which includes a combination of

We have a robust sales force that is capable of bringing in sales. Why bother with a complicated marketing plan?

salespeople, distributors, resellers and reps—you are generating less sales revenue than you could be if you relied on the efforts of the marketing team to find new business opportunities. In addition, if you depend only on the sales team, your cost of selling is probably higher than it needs to be.

In any business-to-business sales situation, salespeople typically find, on their own,

about 40 percent of the new business opportunities needed to meet their company's sales revenue goal. They develop sales opportunities through referrals, additional projects from past customers, potential customers they meet at networking events and past customers who have moved to new companies.

All of that works well for generating sales up to a point. Salespeople working on their own don't generally reach the other 60 percent of sales potential for some very good reasons:

- Salespeople's quotas and compensation programs reward them for bringing in short-term sales—this week, this month, this quarter. Therefore, they have little incentive to work the longer-term opportunities.
- Most people generally hate the rejection that results from cold calling. Salespeople

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

are no different. They prefer to spend time with prospects that are ready to buy now, even though in reality those buyers represent only a fraction of sales opportunities.

- Salespeople tend to spend most of their time with current customers.

So how can marketing for leads be used to identify the other 60 percent of sales opportunities and make the sales team more efficient overall? Lead-generation tactics such as direct mail, telemarketing and events are ideal for finding qualified sales leads so that salespeople can spend each sales call where it is most likely to generate revenue. Online marketing via websites that cater to your target audience is another cost-effective way to generate leads.

With the cost of a business-to-business sales call rising each year, companies cannot ignore the price tag associated with calling on prospects. By using the most efficient techniques to generate leads and investing in personal sales calls only when they have a greater potential to bring you closer to a closed sale, you automatically lower the cost of sales. The role of marketing for leads is to identify and nurture leads, moving them along to a point where the cost of a personal sales call, or a series of sales calls, becomes an investment in an actual sale.



FOCUS ON LEADS

Step 4: Determine the definition of a “qualified sales lead” with which marketing, sales and corporate management agree.

Your goal as a marketer is to help generate sales. Although there are some steps in closing sales that are out of your control, what you can do is identify qualified sales leads up front. If marketing, management and sales all agree from the start on what a qualified lead is, there is a better chance that you will generate leads that are valuable to the salespeople. It's important to confirm the definition, in writing, with all parties. The definition of a qualified lead is different for each company, and each must do the work to define its own meaning of a qualified sales lead.

Typical definitions include criteria such as the following:

- Does the prospect have a need or an application for your product or service?
- What is the prospect's role in the decision-making process?

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

- What is the prospect's timing for purchase or implementation?
- What is the status of the prospect's budget?
- What is the size of the opportunity?

A prospect is a contact at a company who admits to a business problem, either latently or directly, that could be solved by a product and/or service that you are selling.

If all agree from the start on what a qualified lead is, there is a better chance that you will generate leads that are valuable to the salespeople

Your role, as a marketer, is to give the prospect hope of solving his/her company's problem. Here are a few examples:

Problem: The company's current disparate computer systems require employees to perform

redundant data entry, thus wasting time and reducing efficiency.

Solution: Your software product would enable single data entry.

Problem: The company's managers suspect its truck drivers are wasting time on their routes, but they don't know for sure.

Solution: Your global positioning system would allow management to track the location of each truck at all times.

Problem: The company relies on face-to-face meetings among employees located in

various parts of the country, but it has recently slashed its travel budget. It can't afford to send the employees to meetings that require air travel.

Solution: Your web-based conferencing service would make it possible for the company's employees to meet "virtually" in cyberspace.

In addition to having a business problem that you can solve, qualified leads

- Have an established project in play. This is apparent if a solution task force has already been appointed or, for a small company, if the inquirer's boss asked him/her to find a solution or make a recommendation.
- Have the money to buy a solution, or are in the process of developing a budget.
- Plan to purchase within a reasonable amount of time.
- Have negotiated access to power. In other words, they can get you in front of the appropriate final decision-maker(s) when the time is right.

In addition to defining a qualified lead, you should create a glossary of standard terms defining what your company considers to be a "suspect," a "prospect," an "inquiry," a "response," a "qualified lead," a "qualified suspect," a "qualified prospect" and so forth. Again, sales, marketing and management need to agree on the definition of each term. This will avoid confusion later.

Lead scoring can be a valuable tool as you create your qualification definitions. To score a lead, assign points based on how

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

well the prospect meets each of your lead-qualification criteria. Consider the following example:

- Funding, ready to go 5 points
- Budget in formulation 3 points
- No budget for project 0 points
- Is the decision-maker 5 points
- Is the recommender 2 points
- Is an influencer 2 points
- Has a clear need for product 5 points
- Plans to buy within six months 5 points
- Plans to buy in one year or more 1 point
- Plans to buy \$50,000 of product 5 points
- Plans to buy less than \$100 of product 0 points

To score the lead, add up all the points. Then, for example, those with 20 or more points are determined to be qualified leads; you should send them to your sales force.

Step 5: Determine how many qualified sales leads are needed to meet your revenue goals.

Next, you should determine how many qualified leads you need to meet your revenue goals. Go to www.sales-lead-experts.com/tips/tools to find a "Marketing Lead Calculator." This interactive spreadsheet automatically performs a series of simple calculations based on information you provide about your sales goals, close rate, average sales price and so forth, to give you a realistic

number of leads you should strive for so that you can meet your objectives.



The Marketing Lead Calculator will ask you to answer the following questions:

- What is your company's gross sales revenue target for the fiscal year? (See Step 1.)
- What percentage of your sales should come from marketing leads? (See Step 3.)
- What is your average sale size (or lifetime value of an average customer)?
- What is the percentage of sales opportunities your company will win?
- What percentage of your inquiries will become qualified leads?
- What response rate do you expect?
- What is your expected cost per contact?
- How many salespeople need leads?

Using the dollar figures and percentages you enter, the spreadsheet will automatically calculate the following:

- Revenue needed from marketing leads this fiscal year

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

- New customers needed this fiscal year
- Qualified leads needed
- Total inquiries needed
- Total contacts needed
- Contacts per quarter needed
- Contacts per month needed
- Lead-generation budget
- Lead-generation budget as a percentage of sales
- Average cost per inquiry
- Average cost per qualified lead
- Average cost per sale
- Inquiries needed per salesperson this fiscal year
- Qualified leads needed per salesperson this fiscal year
- Qualified leads needed per salesperson per month

Notice that the Marketing Lead Calculator gives you not only the total number of marketing contacts, or touches, you require to meet your sales goal, but it also gives you the number of contacts needed per quarter and per month. Keep in mind that you can create a steady stream of leads by rolling out lead-generation programs every month rather than by launching one large program at the beginning or end of the year. In other words, you will be more effective if you make one-twelfth of your total annual contacts per month rather than making the majority of contacts in one part of the year. (Furthermore, “contact” and “prospect” are not synonymous. You can, and should, contact certain prospects multiple times throughout the sales cycle. What’s important is how many contacts you make, not how many people you contact.)

A final consideration about the Marketing Lead Calculator is the length of time it takes

to close a sale. For example, if you have a six-month sales cycle, you should aim for twice as many leads as the calculator suggests. Why? Because if it takes six months to close a sale to a lead, half the leads you will get this year will close too late to affect the current year’s sales goal.

Step 6: Determine how many new inquiries are needed to identify enough qualified sales leads to meet your goals.

The Marketing Lead Calculator will help you determine how many new inquiries you need to identify so that you will have enough qualified sales leads to meet your goals. (See Step 5.) Research conducted by Mac McIntosh, Inc., and its clients on business-to-business buying across industries shows that

- One in four of those who buy do so within six months.
- Another one in four buys within the next six months.
- Another one in four buys within the third six months.
- The final one in four buys after eighteen months.

Simply said, three out of four sales are longer-term opportunities. Therefore, although it may be tempting to create an occasional, dramatic marketing program that drums up a large number of new leads—so you can skim the ones that are ready to buy now—you are actually better off investing in an ongoing series of marketing-for-leads programs.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING



STRATEGY: BUSINESS PROBLEM AND BUSINESS SOLUTION

Step 7: Determine the specific business problems your products/services address and the problems your company is qualified to solve.

The first step in developing your marketing strategy is to identify the business problems your product or service will relieve. Why would somebody buy what you are selling? What specific problems does it solve?

For example, if you sell filling-line equipment to bottling plants, you might solve the problem caused by faulty integration between the labeling and bar-coding equipment. Or if you are selling tax-consulting services, you might solve the economic problem caused by paying too much in taxes.

In addition, you need to think about the problems your company and its people are qualified to solve based on your experience and special credentials. What kinds of

business problems have you helped customers with in the past? What kinds of professional or educational credentials and industry experience do your people have? What licenses, certifications or approved-vendor status does your company hold?

Step 8: Determine your company's competitive advantages and how best to articulate them.

You need to leverage your company's unique selling proposition to articulate for prospects what is in it for them (the solution) if they buy from you.

For example, if you are an individual consultant, you could articulate your competitive advantage by explaining that you will not be relegating the prospect's business to an inexperienced employee. You could also point out that, because you are a small company, the prospect's business will be very important to you—more important than it would be to a larger vendor.

If yours is a large company, you could talk about the depth of expertise represented by your large staff. Or you could point out that you wouldn't have grown so large if you didn't provide the highest quality products or services.

Pinpoint your company's competitive advantages by using a SWOT analysis. SWOT stands for Strengths, Weaknesses, Opportunities and Threats. Start a list under each category.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

Then determine which of those you can do something about. Are there threats you can turn into opportunities? An example of a threat would be the downsizing occurring in prospect companies. You can turn that into an opportunity by articulating the operational efficiency provided by your product or service offering.

Although theoretically every company in every business may benefit from your solution, you can't afford to try to be everything to everyone

To articulate your company's competitive advantage, tell customers why the advantage is relevant to them. Here are some examples:

Competitive advantage: Your company has the capacity to mass produce silicon micro-gizmos.

Articulation:

"We can supply all your silicon micro-gizmos with minimal lead time, thanks to our annual production capability of 4,000 tons."

Competitive advantage: Your company is the only one in the industry headquartered in the Miami area.

Articulation: "We can provide just-in-time service for Greater Miami-based companies because we are headquartered in Coral Gables."

Competitive advantage: Your company has a nationwide network of service centers.

Articulation: "We can support all your installations, coast to coast, through our nationwide network of technicians."

Step 9: Target the best companies and contacts with your lead-generation efforts.

Determine who has the business problem your products and services address, both at the level of companies and at the level of contacts within those companies.

Create three lists that rank your current customers using three criteria:

- **Gross revenue.** Place the largest companies at the top of the list and the smallest at the bottom.
- **Profitability.** List from "most profitable" to "least profitable." Keep in mind that the most profitable are not necessarily those with the most gross revenue.
- **Fit.** Which companies represent the best fit for what you are selling? This ranking is more subjective than the first two. It identifies the companies you know well, those with business you understand, those that are fun to work with, those you understand best and those with which you have—or could have—a great working relationship. Rank these companies in order, descending from the best fit.

Your ideal customers are those that are at, or near, the top of all three lists. While

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

reviewing your existing customers, consider the following questions:

- What industries are they in?
- Are they small, medium or large businesses?
- Where are they located geographically?
- What is their Standard Industrial Classification (SIC) code?
- What are the titles or job functions of their decision-makers?

This information will help you find similar companies and decision-makers to target with your marketing efforts. Determine what is unique about them so that you can find more like them.

In addition to looking at your current customer base, review your company's internal expertise and credentials to determine likely prospects for your solutions. If your company is a start-up and has no existing customers, you can leverage your own past experience and that of your people. Think about the kinds of companies you and your team have had success with in previous jobs.

You also can educate yourself on a vertical market (i.e., a particular industry, such as residential or commercial construction, banking, distribution or the retail clothing business), weaving the industry's concerns

and buzzwords into your marketing-for-leads materials. This will suggest that you do understand the market and its needs. However, be prepared to answer the question, "Who else in my industry have you served?" It is bound to come up.

If you don't believe you can successfully sell into vertical markets, consider horizontal markets. These are markets that cross industry lines. To articulate a horizontal-marketing strategy, you could say, for example, "We are the inventory-control experts for small- to medium-sized businesses."

Geographic markets are another possibility. You could combine horizontal and geographic marketing with a statement such as: "We are right here in Akron, Ohio, and we are uniquely qualified to help you with your inventory-control needs."

Although theoretically every company in every business may benefit from your solution, you can't afford to try to be everything to everyone. You must pick the companies with which you are likely to have the best success and the individuals within those companies who are in the best position to recommend or buy your products or services.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

COMMUNICATE WITH YOUR AUDIENCE

Step 10: Determine how to reach the best companies and contacts.

After you have identified the best companies and contacts to target with your lead-generation efforts, you need to devise ways

Determine who has the business problem your products and services address

to reach them. The first step is to determine to what media the target audience is exposed. For example, what magazines do they read? This may include national business or trade

publications, regional magazines or the regional editions of national publications.

In addition, you should think about the

- Professional associations to which your target contacts belong.
- Conferences and tradeshows they attend.
- Newsletters to which they subscribe.
- Websites they visit for professional information.
- Radio and television programming that attracts them.

Each of these, potentially, is the source of a mailing list, website, conference or publication that would be appropriate for reaching your target contacts.

Another way to find the best companies and contacts is through their professional advisors (e.g., accountant, insurance agent, attorney, consultant). Often these advisors provide recommendations on purchases relevant to their spheres of knowledge. In other words, they influence buyers. For example, a decision-maker in search of a commercial printer might ask his/her graphic design firm for recommendations. Therefore, your marketing plan should have some provision for articulating your competitive advantage to these influencers.

Step 11: Determine the marketing resources available to you

To determine the resources needed to implement your marketing for leads programs, you may need to think outside of your present staff:

- You may be able to take on an intern from a local college to help with marketing coordination activities.
- If you lack in-house resources, consider outsourcing to specialists:
 - Marketing communications experts
 - Graphic designers
 - Event coordinators
 - Telemarketing companies
 - Temp firms

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

Where do you find these outsourced resources? Ask your peers at other companies. See the vendor lists in your industry trade association directory. Or visit the following websites:

- www.freeagent.com
- www.guru.com
- www.marketing-match.com
- www.msquared.com

Step 12: Determine and prioritize how best to communicate with your target companies and contacts.

There are a number of marketing vehicles available to you, ranging from newspaper advertising to putting your company logo on the Goodyear blimp. However, some marketing methods have proven to be more successful than others for business-to-business marketing. The tried-and-true basics of marketing for leads include the following:

- A good marketing database
- Direct marketing to generate inquiries
- Online marketing to catch searchers (this includes strong offers, easy-to-use response forms and search engine optimization)
- Websites to bridge the gap between marketing and sales with more in-depth presales information
- Relationship marketing to nurture and qualify prospects

- Events to help move prospects toward purchase
- Sales tools to help your sales team sell

Generally, it is best to start with these basics and augment them with techniques such as advertising and public relations after the basics are firmly in place. Whatever tactics you use, make sure the results will be measurable; you will need to evaluate the program's effectiveness later on so that you may better target your future efforts and prove to senior management that marketing is getting results.



PRIORITIZE YOUR TACTICS

Step 13: Determine and prioritize tactics for eliciting inquiries from these companies and contacts.

To elicit inquiries from your marketing efforts, you must make strong offers. Consider educational offers such as how-to guides, buying guides, live demos and invitations to events.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

Tailor your offers to appeal to people at different stages of the buying cycle. This could mean a white paper or information kit for a new prospect early in the buying

...you can use the mail, fax, email and the phone to stay in touch with customers

process versus a seminar invitation for the prospect you have been nurturing for six months who is closer to being ready to buy.

In addition, consider self-qualifying offers. Who could be more

interested in a white paper on selecting flat-screen monitors than someone who is thinking about buying this kind of product in the first place?

You should also use multiple offers. Here's an example from a direct-mail letter:

To request your free Energy-Efficient Lighting Selection Guide, sign up for the free webinar about the latest in energy-efficient lighting or speak with a lighting consultant:

call (800) 555-1212 or (212) 555-1212, fax (800) 555-1213 or (212) 555-1213, email info@YourLightingCo.com, or visit our website at www.YourLightingCo.com/EnergySaver.

The availability of multiple offers gives prospects at all stages of the buying cycle the chance to select the offer appropriate to their needs and the stage of their buying decision process.

You should also make it easy for people to respond to your marketing. Include your website address (URL), email address, toll-free phone number, regular phone number (for your international callers) and fax number. Also consider including a coupon or business reply cards they can mail or fax back to you.

Step 14: Determine and prioritize tactics for identifying qualified sales leads.

This step gets back to how you define a "qualified lead." (See Step 4). Create your response forms with questions that elicit the information you need to determine whether the respondent fits your definition of a qualified lead.

Make sure all your response channels ask the same qualifying questions. For example, the people who answer your incoming telemarketing calls should ask the same questions that are on your website's response form, and those should match the questions on your post-paid response cards.

Finally, remember that lead qualification is not an interrogation. Minimize the number of questions you ask and keep those questions short, or you may scare away prospects.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

Step 15: Develop and prioritize tactics for nurturing your “not-yet-qualified” leads until they are determined to be qualified.

As mentioned earlier, the longer-term prospects represent three out of four of your sales opportunities. This step concentrates on moving those prospects through the sales cycle.

To use an analogy, imagine that your marketplace is an orchard of fruit trees. Your marketing people are the orchard tenders. They plant, weed, feed and water the trees. When the fruit is ripe, they call in the fruit pickers—the salespeople, distributors, resellers and reps. If enough trees were planted (marketing for leads) and the orchard was well tended (relationship marketing and follow up), there will be a bountiful crop of fruit to be picked (sales) year round. If not, the pickings will be slim.

In your relationship marketing program, you can use the mail, email and the phone to stay in touch with customers. You can send newsletters, requested literature, new literature, press releases, show invitations, article reprints and case studies. You can also host events to keep in touch with prospects on a regular basis and help move them along in their buying process.



ROLE OF SALES TOOLS

Step 16: Determine and prioritize the sales tools.

Since driving sales revenue is the primary goal of your marketing program, your sales team is your most important internal customer. To truly understand what your salespeople face every day, ride along with them on some sales calls. This will give you a better idea of what they are up against, and what sales tools you need to provide to help them demonstrate, propose and close sales. If you give them tools that make them successful with prospects at all stages of the sales cycle, you will develop a win-win relationship.

Within the overall sales cycle are several smaller sales cycles, or subcycles:

- The prospect comes to terms with having a need for your product or service.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

- The prospect identifies the type of product or service that could solve that business problem.
- The prospect selects a specific vendor.
- The prospect makes the purchase.

There are tools you can provide to help your salespeople, distributors, brokers, resellers or reps address each subcycle. These tools show the business solution offered by your company's products and services—and demonstrate the advantages of selecting yours instead of a competitor's. Sales tools include the following:

- PowerPoint® presentations
- Online demonstrations
- Leave-behinds (brochures, advertising specialties)
- Templates
- Case studies
- Reference stories

Templates may be in the form of thank-you or follow-up letters, emails and sales-proposal documents. For example, you can create a compelling sales-proposal template using photographs and charts/graphs that favorably compare your company's products and services to those of the competition. An attractive sales-proposal document demonstrates your company's competence and professionalism. If you do not offer templates and other sales tools, your sales team will create them on their own. You may not like the results, so take the initiative and give them tools to help them sell.

In addition to creating sales tools to help your salespeople demonstrate, propose and close sales, be sure to communicate to the sales team in advance about your lead-generation campaigns, so that they can participate in making the most out of the leads that start coming in. Provide your sales team with details:

- The campaign's offers
- How many leads you expect the campaign to generate
- When the campaign will hit
- Dates and times of events
- When they will need to follow up on the leads
- What codes to use when entering orders so that you can track the return on investment

MERTRICS: MEASURE YOUR SUCCESS

Step 17: Determine how best to measure the effectiveness of marketing programs.

There are many ways to measure marketing effectiveness, but in marketing for leads the key metrics are the number of qualified leads your programs generate and the programs' ROI. You need to be able to measure the effectiveness of programs designed to accomplish diverse goals:

- Generate inquiries
- Identify qualified sales leads

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

- Nurture not-yet-qualified inquiries
- Provide sales tools for your sales team

To be able to “close the loop” later, try to track the source of 100 percent of your inquiries or leads. You can do this using the following:

- Special email addresses
- Unique URLs
- Codes on reply cards, coupons, labels, etc.
- Unique product numbers in your catalogs
- Extension numbers in your phone numbers
- Department codes or mail stops in your company's mailing addresses

In addition, refer to reports from your CRM or inquiry-handling software—or from your outsourced inquiry-handling service—for information about where the leads came from.

Step 18: Determine how best to communicate the results of your marketing programs to management.

Ironically, the more efficient you and your team are, the more invisible your activities may be to senior management. In addition to reporting to senior management on the results of your marketing programs, make sure your managers are aware of all the marketing tasks you are working on. Let them know the many steps and activities you perform to implement a single direct-mail program or seminar. It can be useful to keep

a spreadsheet that shows all activities for which the marketing team is responsible, both current and completed. Publicize what you are doing and management will appreciate the contribution to sales that marketing is making.

RESOURCES AND BUDGET

Step 19: Determine the resources and budget needed to accomplish all the previous steps.

There are three common approaches to budgeting for marketing:

- a) Take last year's budget and subjectively add to it or cut it to arrive at a figure for this year's budget.
- b) Use a percentage of sales as the basis for the coming year's budget. With this approach, you look at what you plan to make in sales in the coming year and multiply that figure by a percentage; the result is your marketing budget for the coming year. For business-to-business marketers, four percent (excluding personnel costs) is a common multiplier. Note that you should avoid using last year's sales volume as the basis for this calculation. If last year was a bad year for your company, and you only budget for four percent of that amount, you won't have a large enough marketing budget to meet your growth goals in the coming year.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

- c) Use blank-page budgeting, which is the best approach. With this technique, you build the marketing budget from scratch, using your marketing plan and its marketing communications tactics to create the budget. To assist with blank-page budgeting, use the Marketing Lead Calculator to determine how much

Emphasize the cause-and-effect relationship between your marketing plan/budget and the company's sales goals

funding you will need, in general, to meet the coming year's sales goals. (See Step 5.) Then, starting with a blank page, list all the costs for the marketing tactics identified in your marketing plan (e.g., rentals, postage, materials, printing, design, photog-

raphy and writing services) and total them up to determine the budget you need.

You can use blank-page budgeting to provide your management with three budget options: minimum, target and stretch. These budget levels reflect how much funding you will require to meet the minimum, target and stretch sales revenue goals you defined initially. (See Step 1.) You can explain that meeting the minimum sales goal will cost X dollars, meeting the target goal will cost Y dollars and meeting the stretch goal

will cost Z dollars. Typically, when management is presented with proposed budgets that show a relationship to the company's goals, they will pick the budget linked to their goals for the company rather than simply cutting the single budget number you otherwise may have proposed.

Step 20: Use your marketing plan to justify the budget.

To fortify your budget proposal, be prepared to explain to management, in general, how you intend to allocate the funds. Your proposal should include a written marketing plan geared to each of the three budget levels, including an executive summary, a situation analysis, corporate goals, marketing strategies and tactics, the marketing calendar and the budget. For a worksheet designed to help with creating your marketing plan, go to <http://www.sales-lead-experts.com/tips/tools/> to find the "Marketing Plan that Drives Sales Worksheet."

Keep in mind that the executive summary is simply a summary of key points. Although it may appear at the beginning of the marketing plan, be sure to write it last.

Unless you are planning to use the marketing plan when raising money from investors or getting a loan from the bank, don't worry about making it fancy. A PowerPoint presentation along with some Excel® spreadsheets listing action items and budgets is all you usually need.

HOW TO BOOST YOUR COMPANY'S SALES WITH MARKETING

Step 21: Get the marketing budget approved.

Dramatic tactics can sometimes rally management support. For example, obtain copies of all marketing materials from all your competitors and, before meeting with management, wallpaper the conference room with these brochures, website printouts, ads and so forth. This has been known to evoke a strong emotional response in favor of boosting the marketing budget.

If your managers resist your budget proposal, emphasize the cause-and-effect relationship between your marketing plan/budget and the company's sales goals. If they talk about cutting the budget from the current level, ask them which sales they are willing to give up, because cutting the budget will result in less sales revenue.

IMPLEMENTATION

Step 22: Determine the marketing schedule.

After you gain management's approval of the budget, you need to determine the best schedule of marketing activities to generate short-term results and to create a steady stream of qualified sales opportunities.

Some marketing activities take several months to bear fruit—you may be talking to a prospect who won't buy until next year. Therefore, you need to focus some of your marketing programs on activities that will create sales sooner rather than later. For example, you could do a direct mailing to

prospects who are already well along in the sales cycle. This kind of targeted marketing will win more short-term sales than a larger mailing to a broader audience.

If your company has not done much marketing in the past, short-term results will help assure senior management of the value of marketing. By placing short-term opportunities into the sales pipeline and helping the sales team close those sales, you also buy time to put longer-term marketing programs in place.

Step 23: Assign responsibilities.

Having created a marketing schedule, you can assign responsibilities to employees and outsourced workers. (See Step 11.) Be sure to list the people assigned to each task, along with a target due date. Try to set the target due date a week or two early just in case there are unexpected delays. Then politely remind the assigned people of their tasks in advance of their due dates, offering any assistance needed to help them complete the tasks on time.

Step 24: Start implementing.

If you have methodically performed each of the preceding steps, you are ready to start implementing your marketing for leads program.

To learn more about tactical implementation, please go to www.sales-lead-experts.com to find another how-to guide entitled, *Business-to-Business Lead-Generation Tactics: A Recipe for Success*.

OUR MISSION IS TO HELP YOU:

- Generate more high-quality sales leads
- Convert more sales leads into sales
- Track, measure and increase your ROI

OUR EXPERTISE INCLUDES:

- Demand generation
- Inquiry Handling & Sales Lead Management
- Telemarketing
- Direct Marketing
- Database Development & CRM
- Outsourcing of Marketing Services

Mac McIntosh Incorporated

601 Pendar Road

North Kingstown, RI 02852-6620 USA

Phone: 800-944-5553 or 401-294-7730

Fax: 800-944-5513 or 401-679-0176

Email: mcintosh@salesleadexperts.com

Website: www.sales-lead-experts.com