Buying Has Changed Forever

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<25% of New Leads are Sales-Ready

Who is sales ready? **25%**

Who needs further nurturing? **50%**

Who should be disqualified? **25%**

Source: RainToday

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Lead Scoring Defined

"Shared sales and marketing methodology for ranking leads in order to determine their sales readiness"

Nurture	Pass to Sales	Pass to Sales	Nurture	Nurture

Fit | **Interest** | **Buying Stage**

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The ROI of Lead Scoring

How Easy Is it To Get Information About Prioritizing Sales Efforts?

Source: CSO Insights

Other Benefits of Fewer But Higher Quality Leads

- Higher Win Rates
- Shorter Sales Cycles
- Higher Revenue Per Rep

Example

Metric	6 months before	6 months after
Leads sent to sales	1,000	600
Opportunity win rate	25%	40%
Revenue per deal	$50,000	$62,000
Total revenue	$25MM	$32MM

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A Framework for Lead Scoring

	Explicit Information What the prospect tells you	Inferred Information What you observe or infer
Fit Are you interested in them?	• Demographics • Firmographics • BANT	• Data quality • Corporate vs. personal email • Inferred from IP (geography, ISP domain)
Interest Are they interested in you?	• BANT	• Latent behaviors (engagement) • Active behaviors (sales readiness)

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Explicit Information - Examples

Demographics

- VP or Director +5
- Intern/Student/Consultant -10
- Marketing or Sales role +5
- Other +0

BANT

- Budget
- Authority
- Need
- Timing: < 3 months: +15

Firmographics

- Healthcare, Manufacturing, Finance, Technology +5
- Other Target Industries +1

- <$10M: +0
- $10M-$500M: +5
- $500M: +10

- CRM System = Salesforce +10
- Company Name “Self” -10

Limitations of Explicit Information

- Poor quality of self-entered information on forms
- BANT information can be especially inaccurate
  - Many reasons why people can't or won't answer

MarketingSherpa and KnowledgeStorm, Connecting through Content Phase 111

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Inferred Fit - Examples

Inferred from ISP

- Inferred Company is an ISP -2
- Inferred Geography -6 to +5 based on country and zip

Data Quality

- Good First / Last Name +5
- Personal email address -5
- Complete profile +3

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Behavioral Scoring: Examples

Latent Behaviors (Engagement)

- Early stage content +3
- Attend webinar: +5
- Visit any webpage / blog : +1
- Visit careers pages: -10

Active Behaviors (Buying Intent)

- Pricing pages:
  - +10 regular, +15 detailed
- Watch demos:
  - +5 overview, +10 detailed
- Mid-stage content +8
- Late-stage content +12
- Searches for “Marketo” +8

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Behavioral Scoring: The Role of Social Media

- Customer 2.0 requires companies to listen for buying signs everywhere – not just the corporate website
- Requires the lead scoring system to trigger scoring rules based on social updates

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Advanced Scoring Strategies

Score degradation

- Reduce behavioral scores after periods of inactivity

Product scoring

- Multiple behavioral scores to measure interest in specific products

Account scoring

- Multiple contacts with high scores can be a good thing
- Don't naively sum the scores – each individual contact is likely to add progressively less

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Lead Lifecycle Management

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Identifying Marketing Qualified Leads

What's your boundary?

Example: 100 points = It's a Lead!

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Advanced Way to Identify MQLs

Demographics				
21+		Lead	Lead	Lead
9-10			Lead	Lead
2-8				Lead
<2				
Behaviors				
Engagement	<15	15-39	40-89	90+
Buying Intent	<3	3-10	11-19	20+

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Lead Lifecycle

Tips for Recycled / Deferred leads

- Reduce behavior / engagement scores
- Capture reason for Recycling
- Optionally set a timeframe for returning

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Implementing Lead Scoring

Practical Tips

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Implementing Lead Scoring

1. Set initial scores based on judgment and experience
2. Test before deploying
   - Against leads you know are Sales Ready and/or Won – would they have passed to Sales?
   - Against unqualified leads – would they have gone to Sales?
3. Get buying with Sales – do they agree?

Think big, start small, move quickly

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Regular Check-up and Optimization

- Talk regularly with front-lines to get qualitative input
- Refine score weights based on real results

Campaign Name	Number of Unique Leads Touched	Number of Unique Leads Touched (Converted to Opportunity)	Campaign Member to Opportunity Conversion Ratio
Visits RCA Pricing Page	220	76	34.5%
Visits MSI Pricing Page	389	131	33.7%
Timeline < 3mo	245	73	29.8%
Web Visits - Reviews Page	987	208	21.1%
Web Visits - Pricing	4473	908	20.3%
Watches RCA Demo	748	145	19.4%
Watches Sales Insight Demo	1816	332	18.3%
Download Lead Management datasheet	917	163	17.8%
Download Marketing Automation Buyers Kit	538	92	17.1%
Web Visits - FreeTrial	2061	332	16.1%

- Don’t forget to look for “negative” behaviors correlated to disqualified leads
- Incorporate new content and collateral

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Top Takeaways and Lessons

- Only 25% of new leads are actually sales ready
- Effective lead scoring results in shorter sales cycles and higher revenue per rep
- Quality leads need Fit and Interest
- Inferred information can be more accurate than explicit
- SLAs go hand in hand with scoring
- Think big, start small, move quickly

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