

10 Strategies for Effective Lead Distribution

by [Bill Rice](#)

Generating a new lead is one of the most exhilarating experiences for a marketer. But, unfortunately we often forget the most important part of our job to the customer and to the sales teams we support--getting it to the right person--Lead Distribution. Designing the right distribution process can get complex, confusing, and mistake laden as we begin to scale our lead management process. But, understanding the basic patterns for effective lead distribution can minimize these pitfalls.

Lead Distribution Patterns for Success

Allocating leads to a sales force in such a way as to maximize pull-through can be as challenging as generating them. The process of lead distribution is working against two powerful forces: customer expectation and sales expectation. However, breaking down allocation methods into patterns, although none are necessarily without an inherent blend of one another, can be helpful in maximizing your results.

Here are some of the most pervasive lead distribution techniques:

Round Robin

This is undoubtedly where everyone starts, and it is a fine place to start. It is a fair and equitable distribution method that is like dealing cards in a game. As leads come in, leads go out to each person in turn.

However, over time this can be difficult to scale and may become very inefficient based on special products, customer needs, or sales agent skills. Distributing in-turn, regardless of indicators of availability and effectiveness, is a recipe for eventual lead spoilage and waste; not to mention customer frustration.

This method is also important, and why I suggest it as a good place to start, to collecting your baseline performance data that more complex distribution models can be built on. Round robin distribution will eliminate most statistical bias from your performance metrics.

FIFO/LIFO

The common inventory control systems of First In, First Out and Last In, Last Out make excellent patterns to consider in distributing your leads. It is a critical decision in all of the lead allocation patterns.

Which is better? The freshest lead or continually trimming off potential aging leads? Generally this is a question of customer expectations and your sales processes. If you are generating or buying real-time leads there is little debate--FIFO and manage aging leads as a capacity issue to be solved. In contrast, if you are moving into the end of a reporting cycle or working pipeline leads the LIFO method may yield at a higher rate.

Top Producers

Giving leads based on sales production is a natural inclination, but it may be a hazard to ongoing success. There are a couple of hidden pitfalls in this distribution strategy:

- Harder to find new top producers
- Trend maybe temporary

- Performance may be motivated by previous lead scarcity
- Increasing lead flow may reduce diligence and determination

Top producers should be rewarded and part of that reward should be premium lead flow, but remember top sales results is typically fueled by hunger.

Hunt Group

The hunt group is the classic call center methodology of looking for an available agent/line. This approach is good for managing large, centralized sales forces. It is founded on the principle of load balancing. Constantly optimizing allocation based on what agents or pipelines that can handle another customer.

Challenges with this strategy are in the human element. In order to get the best results you need to know each agent's capacity. An extensive set of measurements and metrics are needed to get this baseline. The baseline needs to include an agent's declining return point and cycle(s) of performance.

Grab Bag

The grab bag or the trash can method, as I like to call it, is certain to lead to unintended consequences. Tossing leads into an unmanaged pool is immediately lowering the psychological value of the leads. You do not get the feeding frenzy of hungry sales agents that you may think. The best way to describe what actually happens is through this analogy:

Imagine for a moment, as new leads come in you immediately print them out and toss them into the office trash can. Now you tell all your sales people that the best and hottest leads are in the trash can. Lead distribution done! But, now watch--no feeding frenzy?!? That's right-- you are now hoping that agents break from their current pipeline and rummage through a waste basket and find something they think is worth more than the name of the container it is in.

This is not likely to be your highest producing strategy.

Source Specialist

This is a counter-intuitively productive method. You would think that a good sales person would be equally capable on any marketing source. A good sales person will certainly perform within standards on most any lead. However, there is an interesting phenomena that occurs when a sales person is give a concentrated, single or limited, stream of leads from a specific source. Typically, they will improve over time and out convert agents working the same leads, but with a broad range of marketing sources.

The increased conversion effects of distributing a single source of leads to specialized sales teams, for a specific marketing channel, is most likely a driven by customer profiles attracted by the underlying marketing placement or methods.

Product Specialist

Defining sales teams and distribution groups based on product expertise and training is a very obvious structure. This type of lead distribution does an excellent job of emphasizing the customer needs and connecting them to a knowledgeable agent.

One of the potentially detrimental effects of distributing based on product specialty is the inevitable misplaced or mislabeled customer. This experience can be one of bouncing agents or even worse, valuable time expended by the client looking for the right person to help them.

Telemarketing Warm-up

Using high-volume telemarketing specialist to pre-qualify and hot transfer customers into more experienced sales professionals is increasingly common. This technique was perfected by many of the large centralized call center Internet lead buyers in mortgage and education.

The concept grew from unique attributes of Web customer:

- Expectation of immediate response
- Tendency for customers to provide inaccurate information
- Challenges in effectively capturing and filtering customer segments
- Intense competition on leads sold to multiple companies

As Internet consumers, lead generation, and sales teams mature, this technique may start to lack the efficiency that it once provided.

Push, Email Like

This is certainly the default mechanism for distributing leads today. It functions much like how email is distributed. Someone has a want or need and crafts an email that they send or push into your Inbox. At that point, I become 100% reliant on you to handle that email effectively.

It is certainly an efficient method from a marketing perspective since I am probably measured on lead volume and quickly getting generated leads out to sales. However, if you take the time to calculate ROI you may be shocked the hit this process can take on your marketing budget.

In low volumes and small teams this may be feasible, but as you scale there will be large pockets of lead aging and spoilage.

Pull, Lean Methodology

This is one of my favorites and the results always amaze me and my clients. Taken straight from the efficiency proofs of Lean Manufacturing it will increase your output per lead. Working on the premise that sales agents are working a sales pipeline (lead inventory) much like an assembly line, there is no need to keep shoving in leads if nothing is being produced out the back.

A pull-based lead distribution system within your lead management software allows you to constantly balance capacity and create a natural performance-based distribution process.

Lead Distribution Can Help or Hurt Chose Wisely

Distributing your leads efficiently and in a manner to maximize results is critical to your overall business success. For this reason the best advice in implementing a lead distribution or lead management system is to test, optimize, and re-test your distribution methods constantly. Changes in personnel, lead types, product types, and marketing methods are all factors that may impact the best distribution method for your organization.

About the Author

Bill Rice is a leading authority on [lead management](#) and the lead generation industry. He is a frequent writer, sharing insights on sales at [BetterCloser.com](#) and providing commentary on the lead generation market at [LeadMarketwatch.com](#) and speaker, featured at venues like Leads2007, LeadsCon, Ohio MBA, and Online Lead Quality Summit.

Bill can be reached at bill.rice@kaleidico.com.