

Fall 2008 Inquiry Management Study

Presented by LEADTRACK™ and the
Sales Lead Management Association



December 2, 2008

This study is presented as collaboration between the Sales Lead Management Association,
17853 Santiago Blvd. #107-339, Villa Park, CA 92861 714 639 6989 www.salesleadmgmtassn.com

Overview

In September, 2008, LEADTRACK and the Sales Lead Management Association surveyed its database and membership to find out how inquiries are being managed, what salespeople want to know most, the best source of inquiries, etc. We received 100 responses (the minimum required). The error rate is estimated at 6% with this study.

Executive Summary

In a period of economic slowdown, sales cycles get longer and ROI cycles get shorter. The survey revealed that the sales force is looking for improved lead quality and faster distribution of leads. To do this marketing needs to improve screening and prequalification and speed leads to the field.

It is also essential in times of inevitable budget cuts that Marketing knows which programs to cut. Almost 50% of companies have no ROI tracking tools to measure the effectiveness of marketing campaigns. In addition, more than 75% of companies either measure just some or none of their marketing programs. Without hard numbers to support lead generation activities, marketing will not be able to defend lead generation programs. Over half of survey respondents take days rather than hours to distribute leads to the field.

The best way to shorten the sales cycle is to get warm and hot leads in the sales cycle as fast as possible. To improve lead quality, shorten the sales cycle and justify lead generation programs (ROI) companies need mechanized systems. Almost a third of the companies responding to our survey still rely on manual systems.

In short we found:

- Salespeople most want to know the time frame for purchase: 41% desired this information vs. the next closest desire being budget, at 17%.
- 55% of the respondents said they were not getting enough information about the inquirer.
- The best source of qualified leads is the web contact form.
- 34% of the respondents post inquiries within 2 hours; 54% within 24 hours.
- Updating of lead status is done via CRM Systems (45%), and SaaS (35%).
- 56% of the companies use a CRM system to manage inquiries; 21% use SaaS.

- Regarding fulfillment: 41% send a PDF file; 29% send literature 50% of the time.
- When asked about the greatest sales and marketing challenges, 26% said giving higher quality leads to sales and 21% said measuring marketing campaign effectiveness.

1. What do your salespeople want to know most about a prospect when they receive the lead from you?

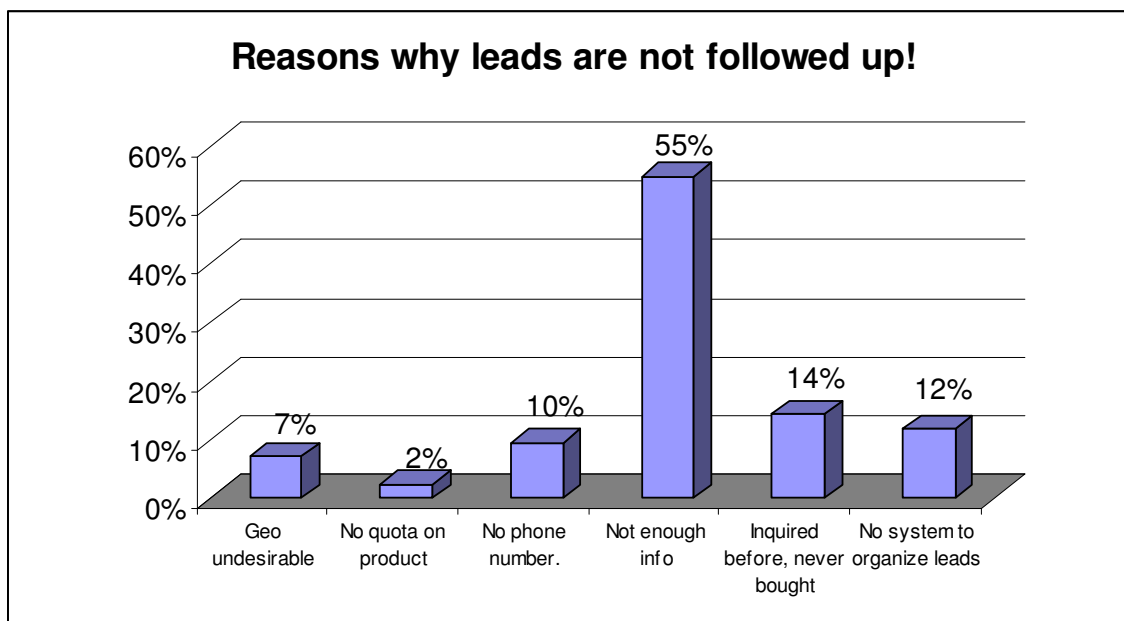
Time frame	41%
Budget	17%
Application	15%
A Lead score	15%
Authority (to buy)	12%



Takeaway: Time-to-purchase drives everything. It increases follow-up and contributes to realistic pipelines. The budget question is desired by Sales, but we have found it the least likely to be answered by the prospect. Ask it anyway. When you get it, it is a great piece of information for the salesperson.

2. What is the reason most often given by your salespeople as to why inquiries are not followed up?

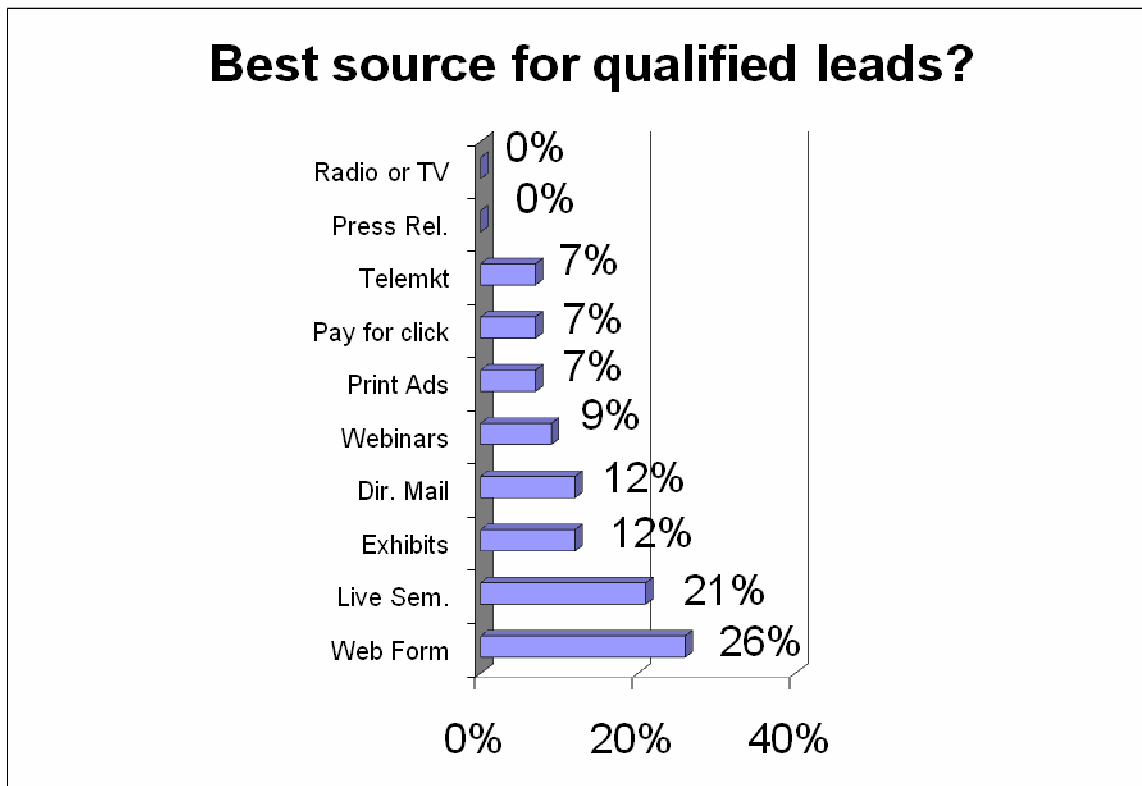
Not enough information	55%
Inquired before but never bought	14%
No system to organize the leads	12%
No phone number	10%
Geographically undesirable	7%
No quota on product	2%



Takeaway: If the salesperson has little or no information, they are less inclined to follow up. Ask questions of every inquirer if given an opportunity. Do it at trade shows, on the business reply card in direct mail, on the "Contact Us" form on the web, on all in-bound calls, etc. With effort, you can get 50-70% of the inquiries "pre-qualified" prior to sending them to Sales. Or, better yet, send the unqualified inquiries to a telemarketing department (outside firm?) for them to call and qualify before sending on to your salespeople for follow-up. Many companies do not believe in sending unqualified inquiries (non-sales ready) to Sales.

3. What have you found to be the best source for qualified leads?

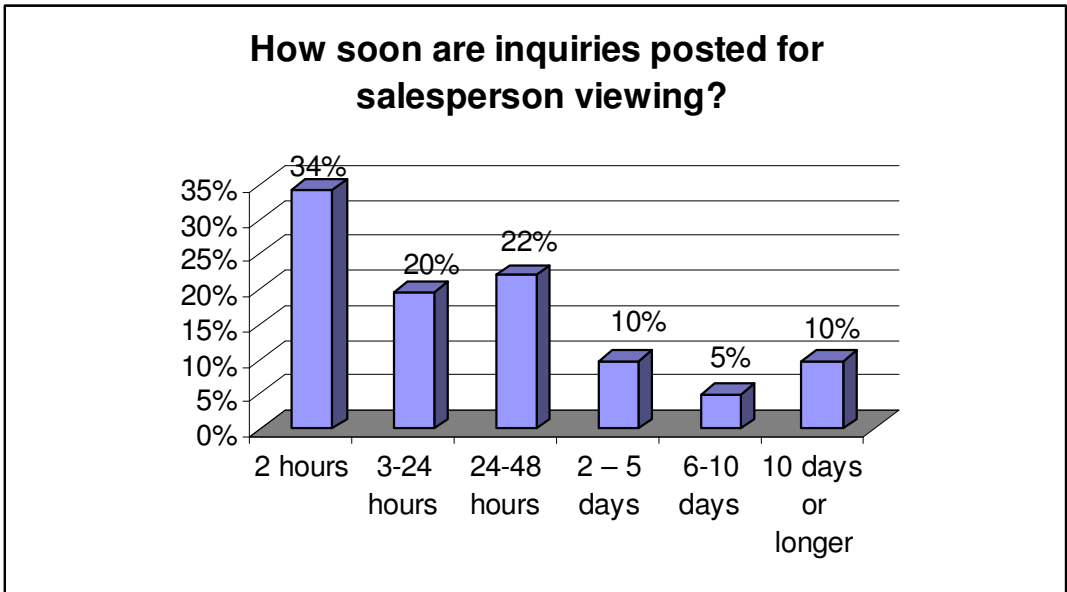
Web contact form	26%
Live seminar	21%
Exhibits	12%
Direct mail	12%
Webinars	9%
Pay for click	7%
Print ads	7%
Telemarketing	7%
PR	0%
Radio or TV	0%



Takeaway: The web contact form is gaining in prominence; that is to say, when the company asks any questions of the inquirer on the form. Far too many companies still only ask "Name," "email" and "Phone number," without asking the obvious: "Why are you inquiring?" Some marketing management types are just too timid.

4. How soon do you post or distribute a new inquiry so that a salesperson can read and retrieve it?

2 hours	34%
3-24 hours	20%
24-48 hours	22%
2 – 5 days	10%
6-10 days	5%
10 days or longer	10%



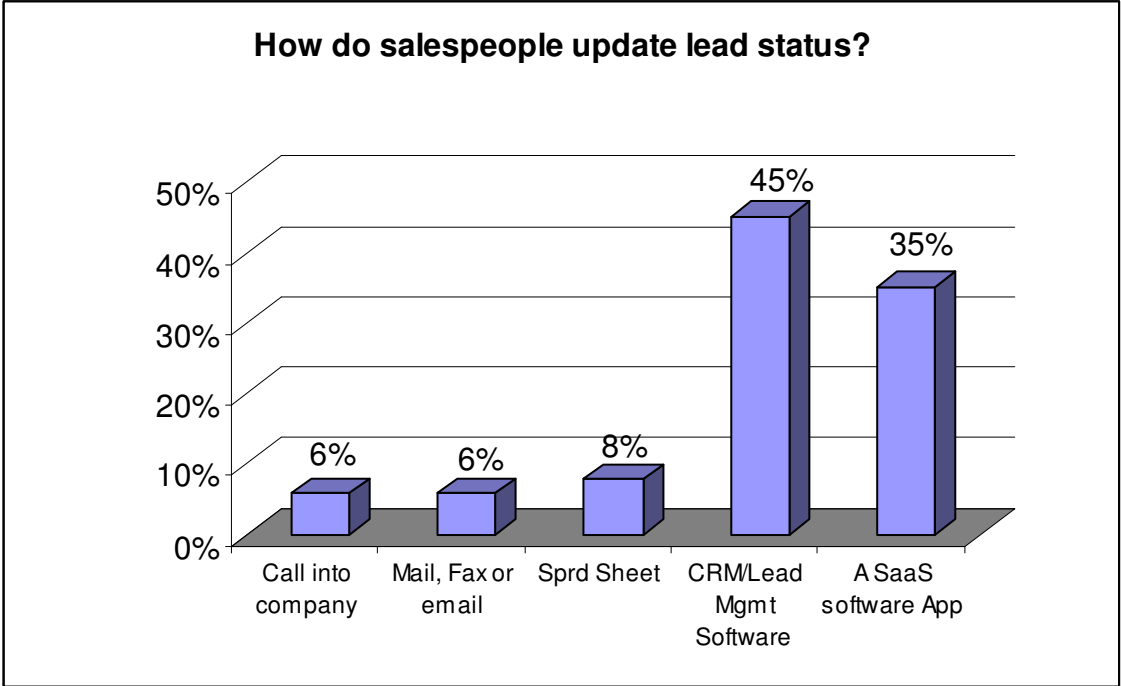
Takeaway:

- 34% within two hours to get an inquiry posted; wonderful
- 54% within 24 hours; very good
- 76% within 48 hours; great

These companies are competitive!

5. How do your sales people update lead status? (Closing the Loop)

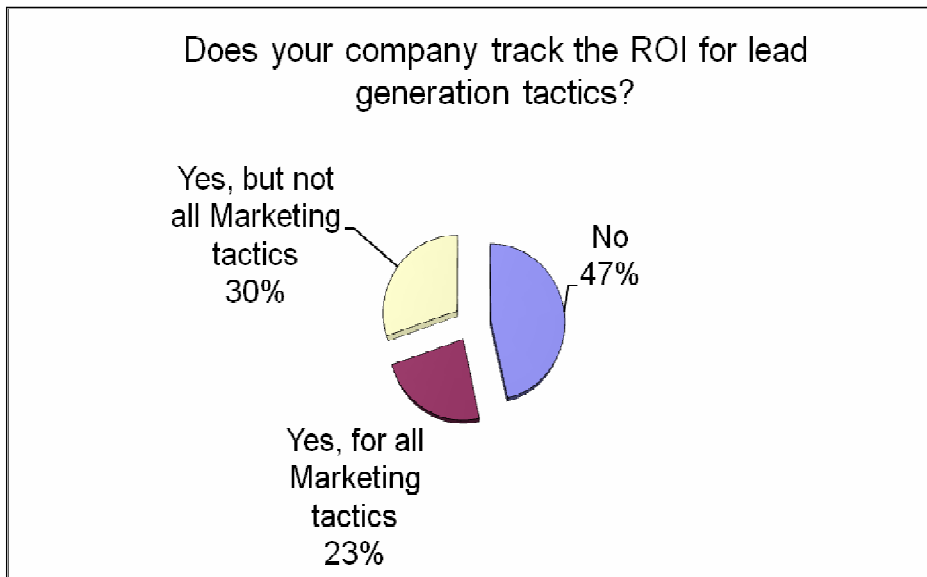
A CRM/lead management software application	45%
A SaaS software application	35%
Spreadsheet	8%
Mail, fax or email status	6%
Call into the company	6%



Takeaway: It is encouraging that 80% of respondents use a CRM or SaaS product for lead updating. But jump to Question #9. Only 23% say they measure the results for all campaigns, while 30% do it sometimes. If the salespeople are doing their job, updating the records and closing them out, why isn't the ROI measurement higher? See the next question and result.

6. Does your company track the ROI for lead generation tactics?

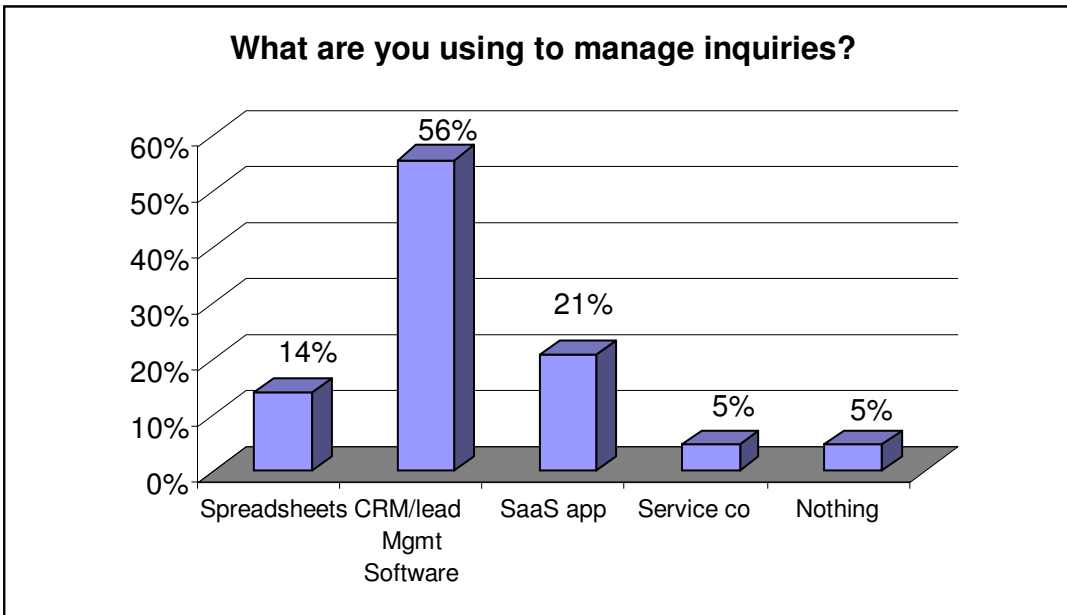
No	47%
Yes, for all marketing tactics	23%
Yes, but not all marketing tactics	30%



Takeaway: Ok, 80% have a system, but only 53% measure all or part of their campaigns. What is happening here? They have the system but aren't using it? Wouldn't you love to know which competitors are spending money on a system but don't measure lead generating effectiveness? I guess by this measure, 47% of your competitors are doing just that. Cool.

7. What are you using to manage your inquiries now?

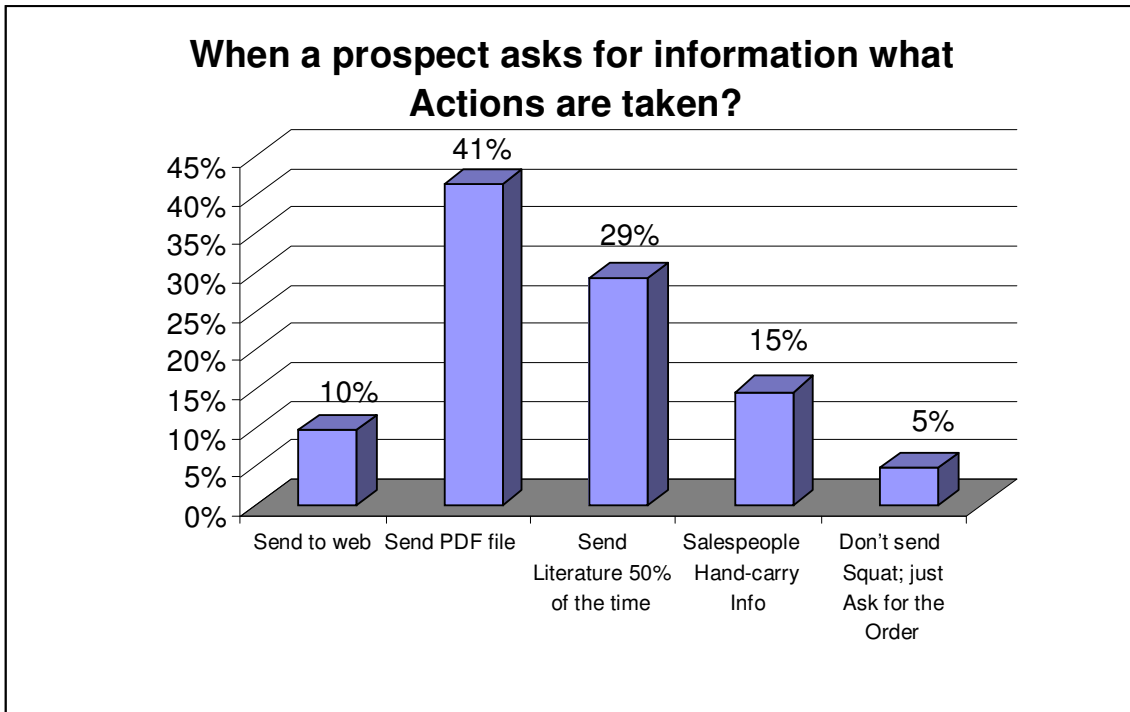
CRM/lead management software	56%
SaaS application	21%
Spreadsheets	14%
Service company	5%
Nothing	5%



Takeaway: 77% of respondents use some form of automated system. Yep, we were being cute to see how people answered this question in relation to question 5. It tied...kind of.

8. When a prospect asks for information, what action do you take?

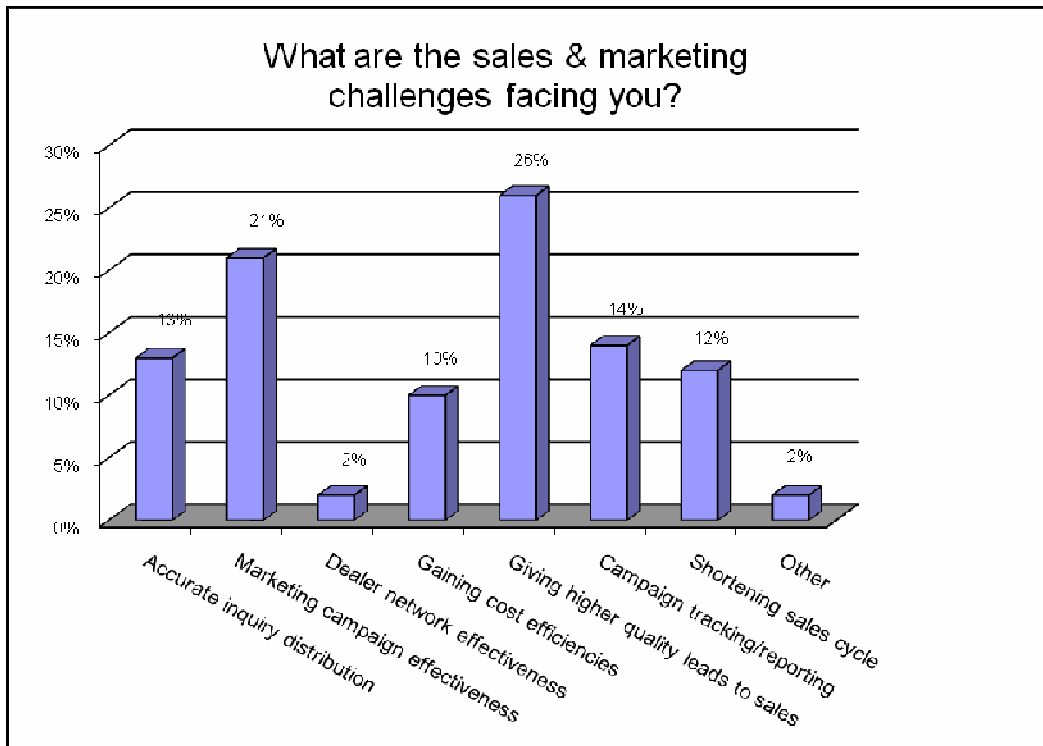
Send them a PDF file	41%
Send them literature 50% of the time	29%
Salespeople hand-carry information to prospect	15%
Send inquirers to the web	10%
We don't send squat; we just ask for the order.	5%



Takeaway: Use of PDF files is growing to speed the delivery of information and reduce cost. But literature in hard-copy form is still being sent 50% of the time by 29% of the respondents. Consider sending PDFs of your product information.

9. What are the sales & marketing challenges currently facing your business?

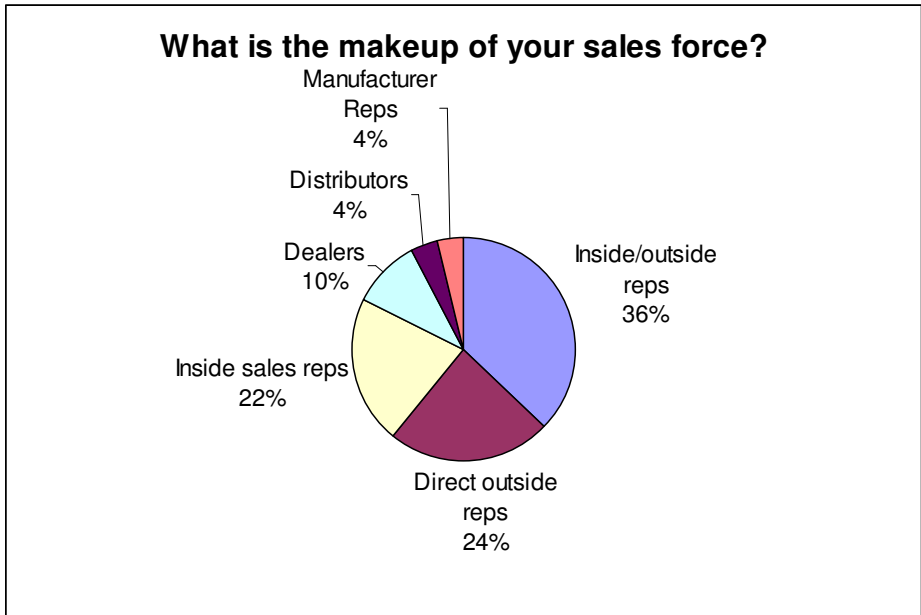
Giving higher quality leads to Sales	26%
Marketing campaign effectiveness	21%
Campaign tracking/reporting	14%
Accurate inquiry distribution	13%
Shortening sales cycle	12%
Gaining cost efficiencies	10%
Dealer network effectiveness	2%
Other	2%



Takeaway: Higher quality leads is the number one need. Measuring effectiveness is next. If 80% of you have a system, and you want to measure ROI, you appear to have the tools. But campaign effectiveness and campaign tracking together are 35% of the total in needs. If we asked the question properly; measuring campaign effectiveness and tracking would have outstripped giving Sales high quality leads. We'll try to do better next time.

10. What is the make-up of your field sales force? (check all those that apply)

Inside/outside reps	37%
Direct outside reps	24%
Inside sales reps	22%
Dealers	10%
Distributors	4%
Manufacturer Reps	4%



Takeaway: None on this one; we just wanted you to know the makeup of the respondents.