

Three Types of Inquiry Management Programs*

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Generally, I have found that there are three types of inquiry management programs. From fulfill and forget to deep nurturing. Let's look at the three types.

Fulfill and Forget: Low Touch

Fulfill and forget inquiries are just that. Usually these are B2C but also low-cost B2B products. Products are sold through retailers or distributors and resellers. The manufacturer advertises and typically drives inquirers to a Web site, a toll-free number, and/or most likely a retail establishment. The manufacturer's products are usually less than a few hundred dollars, the margins are small and they don't control the sales channel. They advertise for name recognition (brand awareness) and to drive immediate need buyers into the retail store. Fulfillment is usually not done or is minimal, inquiries are not sent to the sales channel, and in some cases a database of inquirers is not kept (not recommended).

The percentage of people who buy (anyone's product) is often more than 45%, and the time frame for a group of inquirers to buy is much less than a year and more likely a few weeks or a few months. The goal for these manufacturers is to create interest and drive the suspect into the reseller or retail store.

Salespeople dealing with this type of inquirer are closers. They sell on the spot on price and delivery. They repeatedly ask for the sale and are loathe to see the buyers walk away because they know that if they don't sell the person then and there, the sales will most likely and quickly go to someone else.

These types of inquiries have the following common:

- Low cost products, less than \$1000.
- Multiple channels of distribution with little control over follow-up.
- Cost of fulfillment is factor. A dollar is often too much for these manufacturers.
- Usually a high volume of inquiries: usually many thousands per month.
- Follow-up is less important unless it is automated via email.
- Product information is available on the Web.
- Commodity sale.
- Perhaps the most important: The end user must know where to buy.

Response management for companies with these types of sales process and channels means being sure that the potential buyer knows where to buy the product. Capturing names and contact information for these inquirers has become an increasingly important goal for companies. The contact information can be vital for marketing managers trying to make quota in market places where lists of potential buyers are difficult to find.

Marketing ROI reports that tie marketing to sales are measured through special promotions or marketing research, such as Did-You-Buy Studies that sample inquirers from different media.

**Considered Purchase:
Continuous Touches, Some Nurturing**

This are mostly B2B but includes some B2C considered purchasers. Considered purchase buyers are for products over \$1,000 or products that are bought and frequently replaced so that the lifetime value (LTV) of a buyer is high. Inquirers in this group feel compelled to contact the company, get information, and eventually speak with a salesperson who can educate them and help them make a decision.

These are not commodity products. It requires a salesperson who will answer more than simple price and delivery questions. The touches (steps) required to make the sale are a few as two or three but could be eight to twelve or more touches. The CMO (Chief Marketing Officer) Council in its 2004 survey says, "57 percent of survey respondents said that it takes six months or less to close an average deal, but 48 percent said it takes from six months to one year or longer to close a typical deal."

Touches include initial fulfillment, calls to qualify the inquirer's need, visits to discuss the inquirers need or pain, proposals, presentations to a large staff, building prototypes, negotiations with the buyer and with purchasing, and the final delivery. In these instances, the inquiry request is fulfilled by marketing: The inquirer may be called for answers to additional qualification questions and then given to salespeople for resolution. The Rule of 45 very much applies to these inquiries.

Salespeople in these situations take control of the sale, provide the necessary education, and expect to close an average sale in three to six months. They consult and give advice. While the products are not commodities, the average salesperson doesn't necessarily need an engineering degree or highly specialized formal training to be successful. They build up expertise in their product area and will ask for the sale less often than the commodity salesperson.

The common characters for these inquiries are:

- Products \$1,000 +.
- Direct sales forces or loyal distribution
- Cost of fulfillment not a factor, \$3 to \$14.
- Volume of inquiries: 300 to many thousands per month.
- Follow-up is very important.
- Fulfillment of mailed literature is common.
- Not a commodity product, but not quite a consultant sale.
- eMarketing is an option here to help in touches.

Many marketers believe that qualification is important for these inquiries and that no one who is not sales-ready should be sent to a salesperson. The argument is often solved by the company's method of distribution. The more direct you sell, the more likely you will nurture inquirers. If you sell through distribution, you will most likely send all inquiries the good, the bad and the ugly to your resellers. Think about it before you send unqualified inquiries to resellers. Send them some trash with the good inquiries and they will consider everything you give them to be trash.

Nurture Processing: Inquires for Long, Technical Sales Cycles

The last group has a purchase price of \$25,000 to millions of dollars and is almost exclusively in the domain of B2B. The sales inquiries fall into products sold by a consultative sales force. The sales cycle is long on these sales, typically 6-8 months or more. The Rule of 45 applies here, as it does for the Considered Purchase Inquirers. A salesperson in this instance is truly consultative and probably has a technical degree or an advanced degree or equivalent work experience. The salesperson may be a part of or a leader of a team of people that will satisfy this prospect.

Inquiries in this instance are “nurtured” by inside sales or a vendor and progress from initial literature fulfillment or qualification to a natural hand-off to the salesperson when the “time is right.” The time may be right when a buyer says, “Now is the time to send in your sales person or systems consultant.” This is when a salesperson begins to form a team of experts that he or she will need to satisfy this buyer.

The common characteristics for these inquiries are:

- Moderate to very expensive products: \$25,000+.
- Great for a controlled direct sales force but resellers can play a role here.
- Fulfillment and pursuit could cost \$50 to \$100 per inquiry.
- Volume is usually on the lower end: 300 to several thousand inquirers a month.
- Follow-up is a continuous, close-contact program. There are many, many touches
- Fulfillment of mailed hard-copy literature is still common.
- This is very much a consultative sale.
- Marketing will often, but not always, assume pursuit duties until the inquirer is ready to buy: telemarketing, mail and email.
- eMarketing is an option to help in the touches.

Regardless of the situation you are in, you must address the requests of your prospects in a timely manner while moving the inquiry asset from the potential side of the ledger to the permanent customer side.

*This information has appeared in various articles and workshops Obermayer has presented. Most recently it has appeared in his book, James Obermayer, *Managing Sales Leads: Turning Cold Prospects Into Hot Customers*, (Mason, Ohio, Textere an imprint of Thomson/South-Western, 2007) and Racom Books, Page 98.