

SALES LEAD PROGRAMS—ANOTHER “INCONVENIENT TRUTH”

What do you think when a company does something very wrong—then stubbornly insists on repeating the error? Sort of like shooting yourself in the foot with a pistol, then getting out the automatic assault rifle to do it right. I don't know about you, but it makes me want to apply the “Duh!” descriptor.

But when damn near all businesses make the same mistake—and nearly all persist in doing it over and over again—how do you interpret that? Herd mentality? Mass myopia? “Duh!” with a bad stutter? I don't know either, but it's painful to watch, especially when companies you consider smart and savvy in managing their affairs fall into the same trap as the many companies you'd expect to find every pothole and trip over every one.

But painful to watch or no, B2B marketers of all level of corporate competency—specifically those companies relying on lead generating programs to drive sales—are stumbling around like a bunch of drunken sailors.

What's the problem? I'll try to penetrate corporate defense systems by using as unpleasant an image as I can dredge up. The problem is marketing flushing raw inquiries down the toilet, which pipes them out and showers them over field sales. Ugh. But it gets worse when you wrap your arms around what happens as a result. How's this for a scenario?

1. Marketing spends big money designing, producing and distributing sales lead-generating promotions—be they over the web, via e-mail, through snail mail, at trade shows, however.
2. Depending on the communication channel used, between 60% to 90+% of the sales inquiries generated are from tire-kickers, students, professional recyclers and folks with nothing better to do (when I was operating a lead management company back in the 80s, I remember seeing a 3M Company bingo card come in with each of about 30 interest areas checked—this from an inmate at Bellevue).
3. Marketing records the inquiries (most marketing departments consider themselves sales' big brothers, giving them the right to monitor sales activities), puts them in the bowl, then hits “flush”—and out they go to field sales.

4. In the aftermath, marketing brags about the response rate, even though sales are scarce; sales bitches about the conversion rate, even though the response rate was strong; and some VP or other starts asking, “Where’s the payback? Why are we spending all this money?” And the finger pointing begins.
5. Then the cycle repeats itself, over and over again—and as the baseball-playing pundit Yogi Berra once said, “It’s like déjà vu all over again.”

So what’s the deal? Why are so many good companies so blind to their bad decisions in this one particular area? Based on years and years of experience dealing with this cycle (over and over and over again), let me share my read, or reads. And mind you, I’m walking out on thin ice here, because our client contacts at HYM are the very folks I’m fingering.

- **Sales is the corporate whipping boy.** To marketing, especially. Hey, anyone having that much fun deserves to be punished, eh? Sad, but that’s how the rest of the company often views sales. Joy riders. Parasites. Necessary evils. Well, you know what, We have and have had innumerable clients dying to hire good, experienced salespeople, but the well has about run dry. How can that be, if they’re having so much fun?
- **Sales should have to work for its outrageous pay.** As in qualifying their own sales inquiries. Hey, do you want to dam up your revenue stream. It’s easy. All you have to do is keep sales tied to the office and not in front of customers. Sure—give the competition a break and let them undercut your customer relationships by being onsite when you’re not. And here’s something else to chew on. Qualifying sales inquiries, however you do it, is slow, plodding, methodical work requiring patience and discipline. Not quite your sales profile. Regarding the pay issue? Why *do* you pay them so much? Because they perform hard, essential work, that’s why. And because you treat them so badly that most up and coming business professionals won’t put up with that level of disrespect. Oh, and what about your CEO’s pay package?
- **It’s no one’s job to qualify sales inquiries—and nurture qualified future prospects.** Hey, sales needs every pair of feet possible on the street. And to slap the other check, that’s even after a substantial portion of the selling load

has moved to the web. And marketing has more important work to do—creative, energizing work. Besides, who budgets for sales lead management? Sales thinks it's marketing job—and on marketing's budget. Marketing thinks it's unnecessary—so why budget for it at all? *Ergo, no budget.*

- **We'd just be adding expense.** No, inquiry qualification and lead nurturing don't *directly* generate revenue. But neither does CRM, and companies are willing to blow gazillions of dollars on ill-conceived CRM implementations. And never mind the revenue gap between *properly* managed lead-generating programs and programs designed to shower raw sales inquiries on sales. Properly managing lead programs can multiply the revenues, but that's just a minor detail, isn't it?
- **CRM will take care of it.** Yeah, right. And Santa Claus comes down our chimney every year. I've actually heard CRM software sales reps utter this nonsense. But hey, a lot of them were hired off used car lots, weren't they?. Sure the technology helps—a little. But lead management is a people activity. And if there's no one to do it—or no one who wants to do it—doesn't matter how much you spent for CRM software, it does not happen.
- **Because lead management isn't sexy, and *no one* wants anything to do with it.** Every excuse listed above for not properly managing sales inquiries and even qualified leads is a factor—but for so few companies to do it right, there must be a core underlying reason. And *I believe the sheer drudgery of it all—coupled with the closely related factor of neither sales nor marketing wanting to claim lead management as its own—together are the underlying reason for such feeble lead management efforts almost across the board.*

Since neither sales nor marketing claim lead management responsibility—and both typically want to pass it off to the other—lead management has no internal champion in most companies. But when budget dollars are allocated, the squeaky wheels get the grease, and there ain't even a mouse squeak spoken in favor of funding this dull, low-visibility, “dumb work” activity—that plays such a huge role in the financial success of sales lead generating programs. And that's the “inconvenient truth.”