www.kickstartall.com

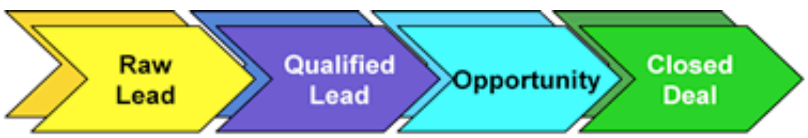
Aligning Sales & Marketing With the Lead Flow Process
by Janet Gregory

A strong working relationship between sales & marketing is powerful. Streamline the lead flow process to strengthen the relationship between these two mission critical organizations and improve company success. Identifying areas of disconnect and resolving the issues can take a company to new levels of success.

"Marketing sends us lousy leads."
* or *
"Sales can't close."

If you have ever heard one or both of these statements it is symptomatic of one or more dysfunctions between sales and marketing. They can be easily identified and fixed once both organizations are on the same page.

The lead flow process consists of the following basic steps:



The lead flow process starts with Marketing creating demand, transitions to Inside Sales to qualify and develop the lead then transitions to field sales to run the sales campaign to proposal and closure. Transition points are where alignment problems become evident. The three most common alignment problems are ambiguity, finger pointing and ignoring reality.

Alignment Problem #1: Ambiguity
Are there multiple interpretations to the lead flow process and the definition of terms? Looking at the transition points… Do Marketing and Inside Sales agree on what a "raw lead" is? Do Inside Sales and Field Sales agree on what constitutes a "qualified lead"? Does management view the whole process as working?

Alignment Strategy

- **Define terms.** Establish a clear definition of terms. If Marketing owns demand creation and is responsible for turning over "raw leads" to Inside Sales, marketing can initiate the definition and must gain agreement from Inside Sales. Definitions should be clear, reasonable and measurable criteria. Key terms that should be defined are "raw leads", "qualified leads" and "opportunity".

- **Scoring**. Accompanying a definition of terms can be a scoring mechanism that helps all parties prioritize and gauge return on activities. Scoring is done by assigning a value to measurable criteria in the key definition of terms. There are also automated tools that can be used by Marketing (like Eloqua www.eloqua.com), Inside Sales and Field Sales (any good SFA or CRM package).

- **Sales Process.** One of the most important aspects in an alignment strategy is to define the sales process. The sales process is key to aligning activities to advancing the account. The sales process will be unique to each individual business but it typically falls into three categories: 1) prospect development for lead qualification, owned by Inside Sales, 2) selling process for opportunity closure, owned by Field Sales, and 3) cultivation process for lead nurturing, owned by Marketing (and sometimes by Inside Sales).

Alignment Problem #2: Finger Pointing

Lack of ownership and inattention to results causes finger pointing. It usually shows up as blame when one group wags a finger at another citing them as the reason for their poor performance. "Marketing sends us lousy leads." "Sales can't close." This is a win-lose …or worse… lose-lose. Aligning teams with a change of attitude directed at the whole process can create break through success. "How can we improve lead quality?" "What do we need to make the selling process more effective?"

Alignment Strategy

- **Responsibility**. Defining roles of each function in the process. Does everyone know what they are responsible for? Training is very valuable and often over looked. Companies will train on product knowledge but often over look re-training, advanced product knowledge, broader industry information and competitive familiarity. Many companies overlook skills and methods training all together assuming that they have "hired" this expertise. Skills such as listening, effective questioning techniques, influence management, handling conflict, working with various personality types, etc. are important to individuals being effective on the job and to establishing a company culture.

- **Results**. Set clear, reasonable and measurable goals. It is a numbers game. Volume over time is important: lead volume, opportunity volume, pipeline volume and closed deals. Conversion rates are vital to understand flow and blockage points: raw lead-to-qualified, qualified lead-to-opportunity, opportunity-to-forecast, and forecast-to-close. Costs are essential to understanding the full value chain: cost/lead, cost/opportunity, cost/closed deal. Any good SFA or CRM package can automate the tracking process.

- **Accountability**. Compensation is one of the most common and useful approaches to having individuals and teams accountable. Compensation can be commissions, bonus, contests, awards, recognition or a combination. A <u>good</u> reward system is based on individual performance to results in their area of ownership. A <u>better</u> reward system has both individual and team results for their area of ownership. The <u>best</u> reward systems recognize both individual performance and downstream results. If you want to break away from excel spreadsheets, there are some automated compensation systems that are very effective.

Alignment Problem #3: Ignoring reality

A favorite quote that I have heard attributed to Albert Einstein is "the definition of insanity is doing the same thing over and over again but expecting different results." Every business must continue to reinvent itself or face inevitable decline. The market is changing. The competition is changing. The economy is changing. Your lead flow process must evolve and change.

Alignment Strategy

- **Dashboard & Win/Loss Reviews.** Dashboards are one of the most effective and under-utilized business tools. The purpose of a dashboard is to provide a current snapshot of your present position. Dashboards also provide a progress report by comparing current position to past performance which should be used as a foundation for constructive dialog on what's working and what is not. Dashboards are more valuable as a predictor for future performance and the most valuable discussion will be around how to leverage current performance into future success. Win/loss reviews are the most powerful feedback loop in the lead flow process. Select 2-4 wins & losses in every area every month to review. Win/loss reviews are more than just proposals won or lost. Win/loss reviews should include raw leads moved to qualified (won) and raw leads rejected (lost). Also include qualified leads moved to opportunities (won) and qualified leads that were lost. It's all about continual learning.
- **Account Planning.** Account Planning session have traditionally been the domain of field sales only. Consider doing some joint planning session that would include Marketing (for account messaging and position), Inside Sales (for detective work to expand contacts) as well as field sales (for selling strategy and competitive counter-strategy).
- **Controlled Experiments**. Test new marketing messages. Test new markets. If your organization has a few "lone wolf" sales people, that is because they are conducting their own controlled experiments and don't know how to tell you that what they have isn't

working. Get the "lone wolves" on your team. They just may have some good ideas! Find out what isn't working for them and improve those sales tools. If sales tools, presentations or positioning are not working for one, it is likely that they are not working for many. Outsourcing can be a great way to test new markets. Try a lead generation, lead qualifying partner like Initial Call (www.initialcall.com). Inside Sales can be a powerful research tool for Marketing as they will test new messages or new positioning many times a day. Inside Sales is also on the forefront hearing new trends, interests and objections as they talk with many prospective customers every day.

Hidden beneath alignment problems you will find a lack of trust lurking in a dark corner. Try having more cross-functional participation in team meetings. Maybe not all of the team meetings, but joint participation in key ones each quarter will build trust, understanding and mutual respect.

Organizational alignment and lead flow process are a journey, not a destination. Happy travels to your future success.

Janet Gregory is a veteran sales executive and co-founder of KickStart Alliance. For assistance with sales strategy, sales planning, training, compensation or any aspect of sales operations, contact Janet. Janet leads the sales readiness practice at KickStart Alliance. For help in aligning sales & marketing for results contact any member of the KickStart Alliance team.

This article was influenced by Patrick Lencioni's book "The Five Dysfunctions of a Team". The book is a quick read and makes some good points. The book has been used by some companies to promote discussion around team dysfunction, break down some of the barriers and create a better working culture. Beware: The book is not particularly well written (in my humble opinion), but you can make your own judgment.