

the first 10 to 20 seconds of the first conversation. We can then individually coach that rep on that specific issue.

**SP:** Do the reps mind having sales management look over their shoulders?

**MR:** That's the beauty of having a culture of measurement: Everybody understands these metrics and how the organization is tracking them. Reps know that if they're having a problem, they'll get additional help rather than be criticized for not performing well. Rather than see measurement as a burden, our reps often request more measurement so that they have the metrics to hone their performance even further.

**SP:** Does the culture of measurement change the way the company is managed overall?

**MR:** We're constantly using metrics to calculate how quickly we can grow and to find our growth bottlenecks. For example, we're currently hiring about five new reps a month. With our system, we can test to see if we could grow faster if we increased that rate to eight reps a month. Similarly, because we have deep visibility into the sales cycle, we generally know weeks in advance if our sales will weaken, allowing us to take action today to ensure that we achieve our future growth target.

**SP:** Would you recommend a culture of measurement to other companies?

**MR:** Absolutely. At HubSpot, we often quote a maxim that our management team picked up while at MIT: "In God we trust; in all else, bring data." — GEOFFREY JAMES



For more insight on leveraging opportunities in today's sales environment, visit [sellingpower.com/content/video/?mid=576](http://sellingpower.com/content/video/?mid=576) to see Roberge in conversation with *Selling Power* publisher Gerhard Gschwandtner at HubSpot TV.

leads

## Faster, Better Leads

### How Sales 2.0 creates a new and richer alignment between sales leads and marketing goals

Sales 2.0 means using both technology and smarts to speed up the sales cycle, cut the waste, increase close rates, and boost revenue. It's all about speed and efficiency. Sales 2.0 works chiefly through a much closer alignment between sales and marketing. And it is changing the sales process dramatically at a wide variety of companies.

Research director Ian Michiels surveyed 223 companies for an Aberdeen Group report on Lifecycle Lead Management. He picked the best-practice companies according to three criteria: 1) growth in sales, with top firms averaging 35 percent in a year to July 2009, despite the recession; 2) increase in new leads, with leaders averaging 34 percent; and 3) a bid-to-close ratio of 36 percent.

The top firms practiced close collaboration between sales and marketing in defining qualified leads during both the buying cycle and sales cycle. "Marketing takes responsibility for educating leads during the buying cycle, before any sales talk," Michiels explains. "You do not want reps both educating and qualifying prospects."

#### ALIGNMENT

This alignment between sales and marketing is improving steadily, partly due to better technologies: "Technology forces you to define qualification and other steps in the cycle. Moreover, when the prospect turns out not to be an opportunity, it forces you to put it back into the marketing pipeline, rather than drop it."

At top firms, leads come from many sources: clicks on email, Website visits, downloads or form completions, or digital databases. Landing-page tools ensure that people who visit Web pages are encouraged to opt in for emails. "You want to keep those names," Michiels stresses.

Best-practice lead tools then score leads by propensity to purchase before passing them to the management CRM

system. These scores take into account lead behavior across all communication channels, not just on the Internet. A top-scored lead should be passed to salespeople and dropped into their CRM tool immediately.

Reps should always get the lead scores from their CRM system. They should also get all the information available on the new opportunity — white paper downloads, for example, and background data on the lead company and its executives — from such sources as LinkedIn. "Get it all into CRM, or let reps drill down to get it," Michiels advises. "That's not easy, but it is very helpful."

And the more helpful CRM is, the more reps will use it. Marketing must also nurture current customers for cross-sell and up-sell opportunities.

That is the way it is supposed to work. B2B organizations are still struggling to align sales and marketing, and only 16 percent of ready-to-close opportunities actually close. "The key is what to do with the remaining ones," he asserts.

#### TECHNOLOGY

Technology is one key to improvement. It can automate demand generation, track and monitor leads throughout the sales cycle, conduct "drip" campaigns for nurturing or re-nurturing leads, and manage marketing campaigns across all channels. These marketing tools must always be tightly integrated with CRM.

Better technology supports better strategies, which include segmenting leads and customizing contacts more precisely. About 70 percent of companies still personalize emails with just a unique salutation. "But if you segment your database so you can customize emails for each segment, it is three to four times more effective," Michiels says. New technology can also automate the routing of leads to all stages of the buying and sales cycles.

An additional benefit of using lead

# new solutions for managers

technology is much better measurement of the effectiveness of individual marketing campaigns. Traditionally, chief marketing officers "went with their gut, and when their gut was wrong they got fired in two years," Michiels says. CEOs now expect to measure marketing efforts, and technology allows them to do it.

Most firms now track the online behavior of prospects. The trick is to tie this behavior into the buying cycle and know when to pass priority leads to reps as sales-ready opportunities. Ultimately, Sales 2.0 will mean automating every crucial step: 1) lead generation; 2) customizing and nurturing by segment, behavior, and stage of the buying cycle; 3) scoring; 4) passing to reps; and 5) measuring conversion rates from nurturing campaigns.

## ENABLER

One key technology enabler, Genius.com, was founded by David Thompson specifically to solve the disconnect between sales and marketing. "Systems were not talking to each other, and reps were frustrated with slow leads," Thompson says. "Our strategy was to bring everyone into sales and make the connections quicker so closes could be quicker."

Genius started with email marketing tied into Websites. "As they click through, reps visit with prospects, speaking to the right person at the right time with the right pitch. You know what they are looking for and what their title is."

This tight link between marketing and sales moves leads rapidly through the funnel for real-time cultivation. Fifty thousand users now exploit Genius to intercept leads, qualify them according to specific behaviors, and then interact through live reps.

Sales reps will have already helped marketing define the qualification criteria. "For example, if a Web visitor hits the price page, ten seconds later he goes to a rep," Thompson explains.

Reps do not have to be online or in front of PCs when a sales-ready lead pops up. Genius sends alerts to laptops, desktops, or mobile devices. "Without mobile applications, Sales 2.0 would be worthless," Thompson says.

Genius connects tightly with salesforce.com and other CRM applications. Continues Thompson, "CRM is key to any Sales 2.0 strategy. If you do not have a good

**"Our strategy was to bring everyone into sales and make the connections quicker so closes could be quicker."**

CRM system, you cannot do anything."

Instant passage of qualified leads to reps works for midsize sales, for example a \$10,000 deal. Leads for larger deals are sent to inside telereps, who qualify them and set up appointments. "The aim is speeding up steps in larger deals," Thompson explains. One medical equipment firm used Genius to quadruple its rate of connection with very busy doctors.

If Genius sends a lead to a rep as ready, but the rep finds it not ready, he or she just clicks on the remarket button, and the lead instantly goes back to marketing for more cultivation. "The lead is not dumped, as in the old days," Thompson says.

## CONSISTENCY

And consistent with Ian Michiels's vision, everything is tracked. All leads from all sources – digital, live, or telephone – are tracked from beginning to end. Thompson predicts this rich data will further boost sales in the next decade. By combining data from the marketing system, CRM, and the enterprise resource planning system, firms will accurately forecast the sales from each lead source.

Meanwhile, for reps, good news is already here. "There will never be another cold call; they will all be warm calls," Thompson says. Before reps call, leads know about his or her company from email blasts and Websites, and reps know about leads by utilizing such research tools as InsideView and Jigsaw. "You know who they are, and they know something about your product."

Sales 2.0 is not only helpful, but it is also becoming essential. The sheer number of contacts, presentations, and demonstrations necessary to close business sales is increasing. "There are more decision influencers you need to talk to," notes Will Schnabel, vice president of international markets for Silverpop. Only automation can deal with this challenge effectively.

Sales 2.0 discovers the prospects who hide from you while they are researching your firm and its products. It gives reps visibility into prospects' activities. This is vital as prospects go in and out of their buying cycle. "First they are interested, then their budget changes," Schnabel notes. "You now see these changes."

The new tools allow a broader look at prospect accounts. "You can find out who these people are, such as anonymous visitors to your Website, using Jigsaw and other tools, then roll them up to the account level."

Sales 2.0 means relevancy, speed, and collaboration at all stages of the buying and sales cycle. In lead capture, big improvements are coming from both data and analytics. "Reps will understand how different buyers are affected by value propositions, and buyers will get more relevant information," explains Peter Poulin, executive vice president of marketing at Hoover's.

## BENEFITS

Benefits start before reps get leads. Hoover's has segmented its own database of Website visitors according to different "personas," then it tailors emails to each persona. The rate of leads to traffic has increased more than 60 percent.

Collaboration includes sales and marketing partnering in qualifying and scoring leads. "And the data will be high quality and consistent. We eliminate redundant leads early, not clean them up afterwards," Poulin acknowledges that automating lead distribution is not possible yet for some channels, such as trade shows. But it is coming fast. And Hoover's enriches all leads by appending information on companies and industries, making reps smarter and more credible.

These are just some of the directions in which Sales 2.0 is going, but we are not there yet. "I am a technophobe, but I love these technologies," says Jill Konrath, author of *Selling to Big Companies* (Kaplan Business, 2005). "Insideview, Jigsaw, ZoomInfo – there is all this information out there. It can help you learn in minutes what took days [to learn] before."

Yet Konrath says many reps still do not exploit the new tools. "I have been to many major sales organizations that have all this data and great libraries, but the reps still focus on activity, not research."

– HENRY CANADAY