

PUGET SOUND Business Journal

Business Leaders Get It.

October 19-25, 2007 VOL. 28, No. 26

▼ SMALL BUSINESS WEEKLY

What to do when lead generation doesn't work

Have you ever had the experience of seeing a new problem as a nail, just because your favorite tool was a hammer? I confess I've been guilty of this.

Several years ago, our company began working with a new client. They sold a service to small businesses. They had a large, national sales force. Naturally I assumed they called us because they wanted a bigger, better lead generation program. After all, that's what we had sold them.

But then I took a look at what they had been doing — and it wasn't true lead generation. They didn't ask for an appointment. They didn't want to send out a fat fulfillment kit in response to a postage-paid reply card. They wanted to talk directly to people who were already close to buying.

Eliminating steps in the sales process is almost guaranteed to reduce effort, costs and heartache. Give it a try.



So we restructured the test we had planned to send. Rather than keep one test cell as the control selling structure and move everything else into lead generation — as we'd intended — we tested lead generation in about 15 percent of the program and drove the rest of the responders to make a phone call.

As you probably guessed, this revised approach saved my bacon. Adding a lead generation step to the process only added extra cost and didn't significantly increase total sales.

When it comes to selling systems, no matter how frustrated you are, you rarely want to throw out everything you've been doing. It's far easier — and more likely to

MARKETING WISE



Spyro Kourtis



producing fewer qualified results over time? If you've been tweaking your marketing here and there and nothing makes a big impact, maybe you need to walk away from lead generation entirely.

It sounds crazy. But it just might work.

What if your product or service has become more of a commodity than you thought? People understand the value proposition. They know they're going to get your product — or something like it — one of these days. They don't need someone to hold their hand through a long, drawn-out sales presentation. They just need some specs, an offer, an order form and a credit card.

Hallelujah! You can start selling direct. Stop teasing. Stop making offers for appointments or raising a hand. Just sell.

When to keep going

What if you're not there yet? If you have done the due diligence and you recognize that you still need to work through your sales team to make the final close, how do you get your program to work harder?

This is the part that's not as fun. You have to do the obvious. You have to build on what's worked before.

have a positive impact — to retool your marketing program than to revamp your sales process.

But there are times when change is called for.

When to walk away

What should you do if you find your lead generation programs

This is no time to be a hero. Dig into the data. Find out what's been working. Repeat it. Test it. Tweak it. Test a few more things. It's a continual job of incremental improvement. We're talking evolution here. At a certain point, you feel more like an accountant than a creative marketing guy. But that's OK. Your program is going to work. You'll make money. And there's glory for you.

But wait. There's more

Even if you can't eliminate lead generation, you have plenty of opportunity to streamline your marketing systems and make them more effective. Start by talking with your sales team. Ask them how they close sales. Ask how they get prospects to the point of closing. Ask about the step before that. And the step before that. Ask them about your marketing and what they'd change or fix. Ask them who they think you should target in your marketing.

These answers are all marvelous clues that will help you guide leads through the whole process. You'll find out about steps you never knew happened. You'll figure out ways to push the prospects through the funnel more quickly. If leads can't get to Point C without information you provide late in the process, maybe you give them the forms a little bit earlier. It's unlikely a little information will scare them away. (Although a lot of information might, so be careful.)

Eliminating steps in the sales process is almost guaranteed to reduce effort, costs and heartache. Give it a try.

SPYRO KOURTIS is President/CEO of Hacker Group, located in Bellevue. Contact him at 425-454-8556 or skourtis@hackergroup.com.