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Lead Management: A Focus Above the Funnel – Part I

There have been many things written about the importance of managing your prospects to ensure success in sales; in fact we have presented a number of articles in previous issues of Renbor's newsletter, The Pipeline, dealing with the subject. Without over stating the obvious, the better job one does in managing the pipeline, the greater the likelihood of increased output and enhanced efficiency in the sales cycle.

To a great degree what is in your pipeline is determined by two things, first, how well you manage the content of your funnel, moving opportunities through to close or removing them to drive clarity and reality in your pipeline. Second, how well you are able to feed the front end of your pipeline. The connection between the two is critical since what sales people emotionally believe their pipeline or funnel to be, triggers their urgency to prospect! If your pipeline is "full", you are less likely to prospect, even if what it is full with is questionable.

To manage the former, we must prune our pipeline regularly, daily; either moving things through to close, or getting them out if they are not progressing at a proper pace. We have spoken in the past about not having opportunities without next steps in the pipe. We are not suggesting that you give up and/or forget those, but unless they are actively moving through your pipeline, they are clogging your pipeline, and therefore should be removed. Done right this dramatically reduces the amount of "things" in your pipe; this then triggers more prospecting to make up for the void.

To prospect effectively, one must have a thought out approach to sourcing and managing leads that will be converted to prospects. At any given time only a small percent of your target market is "in play", depending on who you believe, it is a low of 3% to a range of 12%. Not a large pool considering your competitor is targeting them too, and the incumbent is working hard to retain the account as well. However let's not be overly pessimistic, because a good number of the remaining 90% or so can be sold, that is after all what we pay sales people to do. Well sort of, before we can sell them, we need to engage with them, and that's something many sales people don't like or do well. Sales people are regularly told to go out and prospect, and close sales. We give them the tools, the training to improve their skills (although not always prospecting training, mostly sales training); sometimes we give them leads, and we send them out to find prospects.

We at Renbor tell our sales people to create prospects. For us prospects are created not found. With that minor distinction we help sales reps view the process and approach differently; we place a different value on the lead. Most sales people are taught to believe that prospecting is a numbers game, knock on enough doors and you will find prospects. On the face of it that is true, but it assumes an endless source of leads, and impeccable timing on the part of the reps.

Consider this, most potential prospects, leads that is, generally will not engage until approached some 4 to 7 times. How many times do your reps work a lead, knock on the same door (phone) in trying to engage with a lead they want to prospect? The general response from hundreds of sales people surveyed is 2 to 3 times, and then they move on. They are not even a blip on the lead's radar and they are ready to move on (give up). "We don't want to bother them, don't want to be a pest". The reality is that after 3 times not only are you not a pest, you haven't even registered.

What happens to this lead after three times? In some cases they are abandoned by Rep A, management believing that there might be gold in "them thar" leads, gives them to another rep, who tries three times and gives them back. By the time the third rep gets it, she hears that these have been tried, a waste of time, but she gives them the obligatory three shots, with some reluctance since her colleagues have told her there is nothing there, and gives up.

Leads need to be ranked and managed in an ongoing way; we refer to this process as "campaigning". At any given time we have leads that we are being campaigned actively, and some that are between "campaigns" and therefore idle or inactive. Once we start a "campaign" on a target (an individual or a company), we make sure that there are at least 6 touch points with the target in a space of two weeks, 10 business days. This includes a use of voice mail, e-mail, and all means available to us to register on the targets' radar.

Inactive or idle leads are put into a program of systematic contact flow, something others call the DRIP approach. Our goal is maximum touch with minimal effort and resources. The goal is to ensure that we "ping" the lead on a regular basis, for instance a newsletter like the one you are now reading. Other things could include product update, release notices, invitations to webinars or corporate events, this will primarily be driven by your industry and product specifics. We execute ours on a monthly basis, others more or less frequently, again no right or wrong as long as you don't over do it.

Beyond the monthly ping, we schedule a direct call every three months, gauge and update the status of the lead. If nothing has changed, that is, they are not ready to engage and become a prospect; we schedule the next call three months hence. During the month that they receive our call, they are deemed "active" or "being campaigned".

This leaves us with three groups, inactive leads, active leads (currently "in campaign" mode), and prospects, leads that have moved from above the funnel into the pipeline. This last group is then progressed through the sales process utilising our Funnel Management process.

This process allows fully monetizing our leads, engaging with them at the "right time", and working with prospects that have some small familiarity with us since we have been pinging and contacting them systematically. Our reps see this as a means of slightly warming an otherwise cold call.

As our clients put this into practice, the next thing we focus on is how to best source leads, because everyone wants "the good leads". Just like in Glengarry Glen Ross, if only they had the "good leads" they would close more deals. Maybe, but first they have to be prospected and brought into the funnel from above the funnel. We will tackle that topic next month.

What's in Your Pipeline?

If you are sad to admit, contact Tibor Shanto, Principal with Renbor Sales Solutions Inc., and find out how he has helped dozens of organization to fill their pipeline with real prospects - - driving real revenue.

For more information on helping your team sell better, write to: info@sellbetter.ca, visit www.sellbetter.ca or call 416 671-3555.