



10

DOs and DON'Ts of Lead Nurturing

The rising popularity of lead nurturing is no surprise in a struggling economy. There are simply not enough low hanging fruits anymore, thus the need to maintain a relationship with long term prospects until they become sales ready. Though there is an ever-growing plethora of articles, step-by-step guides and webinars on the subject, there is still some confusion on what is and what is not lead nurturing and how to make it work. And while there is more than one way to successfully implement a lead nurturing strategy, knowing the 10 Dos and Don'ts of Lead Nurturing will help you avoid the most common mistakes.



1. Don't assume everyone in your organization understands what lead nurturing is

Do: Make sure that everyone is on the same page.

Marketers responsible for lead generation are all too familiar with the challenge of explaining the difference between wave campaigns and lead nurturing. As pointed out by Jim Cecil,¹ Brian Carroll² and Ardath Albee,³ wave campaigns typically involve a series of communications (maybe three or four) that are response driven, but that are rarely educational in nature. In contrast, the purpose of lead nurturing is to build trust over time. And, as with any other type of relationship in life, you can only achieve that if you put your self-interest to the side and really provide relevant and meaningful information that will help your prospects progress in their decision-making process, even if they do not buy from you. This is also why experts typically recommend building a content library that matches offers (evaluation guide, seminar invitation, etc.) to each stage of the buying cycle. Chances are your prospects are not interested in the same content in the early stage of their decision-making process and in the later stage. When in doubt, just ask yourself, "Would that be useful to me at this stage of the buying cycle?"

2. Don't just hope for the best

Do: Set realistic and measurable objectives.

How many nurture leads do you expect to convert to sales-ready leads within a year? Is that a realistic objective based on industry statistics? And, more importantly, how will you track your progress? One sure way to determine if your lead nurturing is working is to set up a control group. Simply split your nurture list in two and make sure that you do not expose the control group to your lead nurturing tactics. After let's say 12 to 18 months, you should be able to compare results between the two groups. Is the sales conversion rate of nurtured leads significantly higher? What is the average deal size of nurture leads compared to those of the control group?

3. Don't start without a budget

Do: Separate your lead-nurturing budget from your lead-generation budget. Many organizations tend to overinvest in lead generation activities, leaving little or no budget left for lead nurturing. For example, an Aberdeen Group survey reveals that on average, B2B organizations spend about 50% of their budget on customer acquisition and only 14% on lead nurturing, although the economic

downturn is driving a budget shift away from customer acquisition to lead nurturing and customer retention initiatives.⁴ On the other hand, Tony Jaros of SiriusDecisions is more in favor of between a 65/35 and 80/20 budget split, depending on specific business needs.⁵ While there is no secret formula to determine how much you should spend on lead generation and lead nurturing, it is fair to say that overinvesting in telemarketing – or any other lead generation tactic – at the expense of content development is clearly a mistake.

4. Don't try to be all things to all people

Do: Decide who you want to nurture. This implies clearly defining which leads are worth nurturing, but also selecting your prospects carefully. The more narrowly you define your target audience, the more specific your message can be. That is why segmenting your nurture lists by industry and role or sale stage is the first step to greatly enhancing the relevancy of your communications.

5. Don't invest in leaky sales and marketing funnels

Do: Take the time to define or refine your lead management process. Before you go any further and invest resources in a lead nurturing strategy, you should ensure you have strong sales and marketing alignment. This involves agreeing on a universal lead definition, determining how to grade and hand-off leads, and assigning roles and responsibilities. There is no point investing in content development and message communication if nurture leads are being lost along the way.

6. Do not rely solely on email to communicate your message

Do: Execute lead nurturing programs with multiple channels of communications. The power of email is that you can track its effectiveness (open rate, click-through rate, bounce rate, etc.) instantly, and as you do so, you will also realize that a 20-30% open rate is typically a success. What this means is that each and every time you rely solely on email to communicate your message, you are excluding at least 70% to 80% of your target audience from the conversation. Not to mention that you need to comply with anti-spam regulations and that the email address of your nurture lead is not always available. Lead nurturing is much more effective when you combine email with direct mail and phone follow-up, but text messaging (SMS) may also be a legitimate messaging medium.

Whenever possible, simply ask your prospects for their communication preferences.

7. Don't alienate your audience with the wrong frequency of communications

Do: Find the right balance between “too often” and “not often enough”. The optimal frequency of communications within a lead nurturing program is an ongoing debate⁶ – especially for email communications – but keep in mind that frequency is only part of the equation. You may think that prospects are opting out of your communication because you email them too often, when the real problem is actually that your communications have become boring and irrelevant. Keep an eye on the number of “unsubscribe from email” messages, and provide those contacts with different options. For example, while your email communications should naturally offer an “unsubscribe” link, you could offer to people who reach the unsubscribe confirmation page to either unsubscribe or reduce the number of emails to no more than one per month.⁷

8. Don't try to run if you can't crawl

Do: Start simple, test and adjust, and add complexity one step at a time. There are so many ways to do lead nurturing. True, an eNewsletter may not be the most elaborate way to do lead nurturing compared to programs that offer the ability to customize communications based on primary interests and communication preferences, but if you have limited resources and the content of your

eNewsletter is relevant to your audience, it is still a step in the right direction. Do not lose yourself in the complexities of lead nurturing programs that require lead scoring or analysis of behavioral data. Sophisticated lead nurturing programs are not for everybody. You need to find the right balance between achieving your goals and the availability of resources. Once you have mastered basic lead nurturing programs, nothing prevents you from moving to more advanced options.

9. Don't assert

Do: Demonstrate. It may be tempting to claim you are an expert in your field, but it is much more powerful to let your prospects come to this conclusion on their own. And they will, as long as you give them something interesting to read on a regular basis. Your content should educate and not only promote your products and services. To do so, you may invite industry experts to share their views on a specific topic, or simply comment on a book you recently read.

10. Don't give up

Do: Be persistent. Many organizations drop lead nurturing after three or four communication attempts because that is when they expect to see results with wave campaigns. But it takes time to nurture leads (remember, this is about trust), and trying to rush it is like trying to have a baby in less than nine months just by assigning more women to the task. And while you should not drop the ball too early, you should also be able to recognize when it's time to call it quits. If someone has not indicated any sign of interest after 10 to 12 communication attempts, it may be time to remove that person from the lead nurturing program.⁸

Bottom line

While the list of Dos and Don'ts of Lead Nurturing will probably evolve over time, it should at least clarify the fundamentals of lead nurturing to help you avoid common pitfalls, and eventually help determine where you lead nurturing strategy may need improvement.



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