



The Lead Generation Dilemma

More leads or better leads? That is the B2B dilemma given that the quality of leads is inversely correlated to the quantity of leads. In other words, if the definition of a qualified lead is too strict, the firm will generate less leads. That is, unless the problem can be defined in a different manner.

Lead generation activities—whether teleprospecting, seminars, or direct marketing campaigns—normally produce three categories of contacts: (1) qualified leads, which meet all qualification criteria, (2) nurture leads, which meet some but not all qualification criteria, and (3) contacts that are either not interested or could not be reached.

The first category corresponds to prospects that are “ready to buy.” Salespeople love them... but so do competitors. Since these contacts correspond to immediate sales opportunities, they’re usually already engaged in discussions with several vendors.

The second category typically includes more candidates than the first one, since the selection criteria are less restrictive. These represent mid- to long-term sales opportunities, which are not yet ready to be passed on to the sales department. As a result, it is the role of the marketing department to maintain the contact’s level of interest until they become ready to buy. This is why organizations may decide to implement a nurture marketing program, designed to provide contacts with meaningful content on a regular basis. Since these individuals are in “information gathering” mode, and not “purchasing” mode, they’re usually more receptive to informational content in the form of a whitepaper or a case study, as opposed to promotional content such as a discount or free trial offers. Besides, it is much easier to initiate a relationship with potential prospects when they’re not on your competitors’ radar.

Unfortunately, informational content is scarce in small- and medium-size organizations. They often prefer to invest in “pure” lead generation activities, such as teleprospecting, mainly because the benefits of such programs are easier to measure.

While it may be more difficult to measure and quantify the tangible benefits of developing meaningful content, such benefits should not be ignored. For example, case studies can not only strengthen an organization’s credibility, they can also, to some extent, increase the efficiency of salespeople who spend too much time compiling and sending information to prospects. An appreciable benefit considering the sales force reportedly spends only 19% of its time with qualified prospects. And if the marketing department succeeds in helping salespeople become more efficient, by extension, marketing is helping sales increase their close rate.

In conclusion, informational content is not only useful to maintain the interest of suspects until they become prospects, it also helps the organization improve the sales force’s efficiency. In which case the lead generation dilemma is no longer a struggle between lead quantity and lead quality as organizations may very well be able to reach their revenue goals with fewer qualified leads. After all, lead generation is only a means to an end. The goal is not to generate more leads or even more qualified leads but to increase sales revenue.

1 Jaros, Tony “Six Principles for Better Demand Generation Tactics,” July 18, 2007. <http://app.ok.bulldogsolutions.net/e/er.aspx?s=251&lid=5526&elq=3DB2DD E49A8246E28271B2A1A3CF0CC1>