

COLUMNS

4 benchmarks for judging quality of leads

August 18, 2016



William Wickey is content marketing manager at LeadGenius

By **William Wickey**

Lead generation can be a loaded term and an elusive one, too. But no matter how you define a lead, what will really matter when it comes to your bottom line is lead quality. And in most cases, lead quality can be traced directly to the data in your CRM system.

You may have heard the old database adage, "Garbage in, garbage out." As customer relationship marketing (CRM) databases become increasingly key to lead-generation activities, and sales and marketing professionals begin to operate more like scientists, a new mantra is taking over: "Quality leads equal business success."

So how can you ensure that the leads that you are generating are of high quality?

Evaluate your lead-generation approach against these four benchmarks below. They are not only measures for lead quality. They can also function as a checklist for the integrity of your CRM data, which is a direct drive of the quality and effectiveness of your leads overall.

1. Depth

A lead is not a single data point. It is not a name and phone number. A lead is a cluster of relevant customer information. High-quality leads combine demographics, firmographics, buying signals and contact information.

Demographics include a prospect's basic personal information such as name, job title and age. But demographics can also go further.

To personalize messaging and segment your lists, you want to know not only an individual prospect's demographic data, but also how they stack up against the rest of your target audience.

What demographics are to people, firmographics are to organizations.

Firmographics are company information such as annual revenue, capital events, market share, employee count and growth rate.

A study of more than 60 million CRM records by Netprospex revealed that 88 percent lacked basic firmographic data.

Buying signals are data points unique to a company's ideal customer profile.

In addition to detailing inbound activity, a buying signal is anything that hints at a prospect's receptiveness to your product or service. This could be the use of a particular technology on a company's Web site, new job listings, recent press and business partnerships.

This type of data is high value because it reveals your customers pain points, but it is also particularly time

consuming to capture at scale. It is no wonder that sales teams report that only 33 percent of their time is spent on actual selling. The rest is spent on research, data entry, and busy work in other words, enriching leads.

Since most modern business-to-business marketing campaigns are multichannel, high-quality leads have multiple types of contact information.

Studies show it takes around 11 to 17 touches to enable a purchase.

To automate and execute a full-funnel strategy, you want accurate contact information in every channel you use to communicate with potential customers.

Email, snail mailing, phone number, Twitter handle, Facebook profile and LinkedIn are all touch points that you can use to move a potential customer closer to purchase.

With accurate contact information in multiple channels, you can target exactly the prospects you want rather than audience segments that look like them.

High-quality leads provide a deep view of both your prospect and his or her organization and the means to get in touch with them.

2. Accuracy

There is validation and then there is verification.

Validation is determining if all your fields are filled in, email addresses are formatted correctly, phone numbers have 10 digits and mailing ZIPs match cities. Out-of-use phone numbers and email bounces are dead ends for your SDRs.

Verification is making sure data points go together.

Email marketing campaigns break down names that do not match up with email addresses. Sales reps stumble on calls when your CRM says the company's annual revenue is \$2 million, when it is really \$20 million.

Accurate data allows your team to allocate time and resources to prospects with the highest probability of being contacted and being receptive to your message.

Without accurate data, you are not only throwing away marketing and sales dollars, you are wasting your reps' time and squandering potential opportunities.

High-quality leads do not contain deficient data points.

3. Reliability

Accuracy is about data points. Reliability is about processes.

Lead generation is never a one-time event. It is an ongoing process optimized for meeting the requirements and expectations of your sales team.

The market is a moving target.

A list of 100 percent accurate leads will not stay that way for long.

Individuals are hired and fired. Companies are acquired. New positions are created. Businesses shrink and swell every quarter.

Some industries have as high as a 6.5 percent monthly contact decay rate. This means that at the end of the year nearly half the contacts in their CRM system could be inaccurate.

Speed, freshness and a repeatable process for enriching existing prospects are all key components of a high-quality lead-generation program.

High-quality leads consistently improve based on feedback from your team and how your business goals evolve.

4. Fitness for purpose

Sometimes we are so focused on lead volume we forget the underlying motivation for our lead generation.

Our ultimate goal is to generate revenue through new customers, not rack up MQLs and SQLs. The most important factor to consider in a lead-generation goal is how it aligns with your overall business process.

Marketing teams are typically responsible for generating as many leads as possible for sales to generate customers.

Conventional wisdom allows that more leads equals more deals, but what marketers sometimes fail to realize is that sending more leads to sales can actually reduce productivity.

Even the warmest inbound leads often lack the critical data needed for a sales rep to close a deal.

According to Hubspot, 61 percent of B2B marketers still send all leads they receive directly to sales, while only 27 percent of those leads will actually be qualified for a sales call.

HIGH-QUALITY LEADS are tailor-made for your funnels. High-quality leads speed up cycle time, increase productivity and reduce total cost.

High-quality lead generation programs are reliable, optimized and tailored to your unique marketing and sales processes.

No matter what your mix of inbound and outbound, lead quality is the key to business success.

William Wickey is content marketing manager at [LeadGenius](#), Berkeley, CA. Reach him at wwickey@leadgenius.com.

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