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Salesforce.com: A Punch-List for Marketing VPs After Your Rollout

– David Taber, CIO

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Your company's CRM system is turned on. Leads are flowing out to the sales team. Now what? Where do marketers need to spend time in the system? What decisions will the marketing team have to make? How should you measure success?

Here are some marketing executive guidelines for the first few months of system usage. While much of this article applies to any modern CRM system, we've focused here on the specifics of Salesforce.com.

U.S. retailers lose \$40 billion annually due to inefficient supply chain processes.

Salesforce.com: What Sales VPs Need to Know After Rollout

Did you miss last week's CIO.com article exploring what sales VPs need to know to make a new Salesforce.com or CRM rollout succeed for the business? Check it out [here](#).

1. Focus on Lead Quality, not Quantity

The knee-jerk reaction is to measure marketing based on lead flow. Unfortunately, lead quantity by itself is almost meaningless and is easily gamed ("I just bought 10,000,000 leads on this \$14.95 CD-ROM!"). As you'll see below, it's more meaningful to produce a few very high quality leads, delivering them to reps in a way that reduces information overload and improves call-back time.

If you want to go even further, don't focus on leads at all. Most leads are ignored anyway. Instead, optimize the marketing and lead cultivation process to produce sales cycles. This means producing fully qualified, converted leads: people who are interested in taking a sales call. In SFDC terms, this means the sales reps should be seeing only opportunities and contacts, not leads or campaigns. While producing "sales appointments" can not be the sole responsibility of marketing, working closely with your telesales (or sales development) reps can have a big impact on business results.

2. Get the Cultivation Process Right

Before you can really make headway, you need to make sure that both sales and marketing are working with a coherent model. The model needs to describe the life of a lead: how they evolve, who handles them at each stage, and the major sales-marketing interactions that happen on the way to closing the deal.

Nail down things like lead qualification criteria, sales stage trigger events, and probability-of-close percentages. From this model, create a service level agreement (SLA)—that is, a contract between

sales and marketing about who does what to make the revenue happen (check out the "Define and Document the Sales Model" section in Chapter 9 of my book). This task can be achieved in an afternoon if you're serious, but it's one of the most highly leveraged things you can do to ensure that the marketing staff is on the same page with the sales team (as well as helping marketing personnel get on the same page with each other!)

A key issue to watch out for: how long it takes for you to first "touch" a new lead. Timeliness is critically important to lead quality, as leads are very perishable early on. Research studies indicate that over half of the leads that register at your website today will not even remember your company name 48 hours from now. So marketing's process must get leads—filtered and scored—into SFDC within 24 hours, so that your first "personal lead touch" can be done by the telesales (or inside sales, or sales development) reps while the leads are still warm. Salesforce.com should be configured (typically with add-on products) to initiate an automated email "drip sequence" of information relevant to the prospect's inquiry, to keep their interest level up even if a phone conversation hasn't occurred.

If your firm doesn't have a sales development rep (or equivalent) function, you need to work closely with the sales VP to get the right budgetary and organizational changes made.

3. Know the Score

Lead ranking often boils down to "HOT" and "don't bother." In many organizations, 95 percent of the leads will be effectively ignored—and the bigger the lead flow, the more important it is to score leads so that the sales folks spend time the right ones. Whether you adopt lead scoring from a marketing automation product or you build it yourself using workflow rules and APEX triggers, here are the important things to look for:

Profile scoring assigns a static number based on the individual's demographic or descriptive information (job title, company name, industry, etc). Add points for "more fields filled out on the page" and subtract for data indicating irrelevance (the person is from a country your company doesn't sell to) or unattractiveness (e.g., a yahoo email address).

Behavioral scoring yields a dynamic number that results from the individual's choices and patterns in interacting with the company. Points are added for any action taken by the individual, and special points are added for behavioral sequences that match a quick sales cycle. Points are deducted for behaviors that indicate "tire kickers" or other low-yield activity.

Decay scoring lowers the score of inactive leads every week or so, thereby demoting stale leads in the priority list over time. After 30 or 45 days, inactive leads should disappear entirely from view because of the decay, and be relegated to your newsletter queue.

All three of these scoring methods are subject to a lot of faulty assumptions. Spend time experimenting to set the correct point values and time factors, "tuning" the resulting priority list for the sales folks.

4. Test and Tune

In the T.V. series *Mad Men*, fantastically effective advertising campaigns spring from the inspired genius of Don Draper. But away from TV-land, things need to be a bit more methodical. Use SFDC in conjunction with your web site and marketing automation tools to test your messaging and execution.

Salesforce.com should have the data for you to conduct A/B "split testing" at every level of your prospect and customer interactions. Test your new alternative ("A") against the baseline ("B") to improve the effectiveness of ads, landing pages, call scripts, messaging, collateral, product packaging, pricing, and segmentation. To improve the power and results of your marketing effort, there is simply no substitute for real-world testing with the company's own prospects and customers.

5. Set Executive Expectations

Marketing teams have an admirable analytical bent, and it is very tempting to create lots of analytics and dashboards evaluating the effectiveness of marketing campaigns and sales pull-through. But data quality and depth take time to mature: just because your SFDC system has clean records and a low duplicate percentage doesn't mean that the data is solid enough to support good business decisions.

For almost any meaty marketing decision, it will take at least a quarter before the data is meaningful,

and many decisions really need a year's worth of data (due to seasonality and other effects). Set expectations with your executive colleagues from the outset, so you don't get bushwhacked at some staff meeting 6 weeks after system go-live.

6. Measure the Right Factors

It's easy to ask for data, and even easier to show metrics about how busy marketing is. But busy-ness doesn't lead to business: the fact you had 150,000 "impressions" this month doesn't help any sales rep make his number. Instead of showing "activity," model and measure the real cost of customer acquisition and the importance of repeat business—the most profitable revenue that any company has. By aligning the marketing effort with the most profitable revenue sources and improving sales cycles, the marketing team will automatically align itself with the goals and objectives of the sales team and the stockholders.

Here are examples of meaningful measures that you should bake into your salesforce.com data collection and analytics:

- Time to "first touch" of a lead
- Number of converted leads per rep per month
- Average time to convert
- Number of fully qualified leads accepted by sales each month
- Number of sales cycles started due to marketing efforts
- Value of sales pipeline started due to marketing efforts
- Proportion of leads rejected (and neglected) by sales
- Marketing cost of acquiring a new customer
- Value of sales pipeline influenced by one or more campaigns (SFDC's new campaign influence feature makes this much easier to measure)
- Profitability of new customers due to marketing efforts
- Loyalty of new customers
- Percentage of repeat business

One final note: resist the temptation of (alternately, don't let yourself be cornered into) measuring the sales teams. That is the job of sales management, and your measuring the sales team will put you in the role of being a policeman. This is just begging for political trouble.

David Taber is the author of the new Prentice Hall book, "[Salesforce.com Secrets of Success](#)" and is the CEO of [SalesLogistix](#), a certified Salesforce.com consultancy focused on business process improvement through use of CRM systems. SalesLogistix clients are in North America, Europe, Israel, and India, and David has over 25 years experience in high tech, including 10 years at the VP level or above.

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