



Information Booklet

Sales and Marketing

16

CONVERTING TRADE LEADS INTO SUCCESSFUL SALES

for SMEs



Introduction

Small and Medium Enterprises Development Authority (SMEDA) works under the Ministry of Industries and Production, Government of Pakistan and was established in 1998 with the objective to propel economic growth through development of SMEs. SMEDA serves as an SME strategy-advisory body for the Government of Pakistan and facilitates partners in meeting their SME development agendas.

SMEDA envisions growth of a globally competitive SME sector (in Pakistan), through creating an enabling environment and support services for increase in the national economy. SMEDA strives to achieve this vision by providing assistance in employment generation and value addition to the national income, through development of the SME Sector, by helping increase the number, scale and competitiveness of SMEs.

National Business Development Program for SMEs (NBDP) is a project of SMEDA which intends to provide hands-on support services to SMEs. The aim of this business development support provided by NBDP is to advance new businesses and improve efficiencies in existing SME value chains to empower them to contend in global market. NBDP expects to facilitate around 314,000 SME beneficiaries over the period of five years.

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Objectives

- To explicate the concept of trade leads.
- To elaborate designs of trade leads while considering target market and players.

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a Concept and Importance of Trade Leads

Trade lead is an information about prospective sale or purchase of goods and services. It also refers to data that represents a potential client interested in a product or service offered. Lead generation is the initiation of consumer interest or enquiry into products or services of a business.

Leads can be created for purposes such as marketing prospects list, e-newsletter list, goods and services acquisition list or for sales leads. Lead generation is often paired with lead management to move leads through the purchase funnel. This combination of activities is referred to as pipeline marketing.

All leads can be grouped into two categories:



In a typical business organization, a lead is usually allotted to an individual to follow up on. Once the individual (e.g. salesperson) reviews and qualifies it to have potential business, the lead gets converted to a marketing opportunity. The opportunity then has to undergo multiple marketing/sales stages before the deal is closed/ won.



Marketing-Qualified Leads

These represent leads from people interested in the offered services, who are likely to be receptive to the selected marketing. However, not all of them may be ready to become customers, yet.



Sales-Qualified Leads

These represent people who are not just looking for a specific product but are also willing to buy it right now.

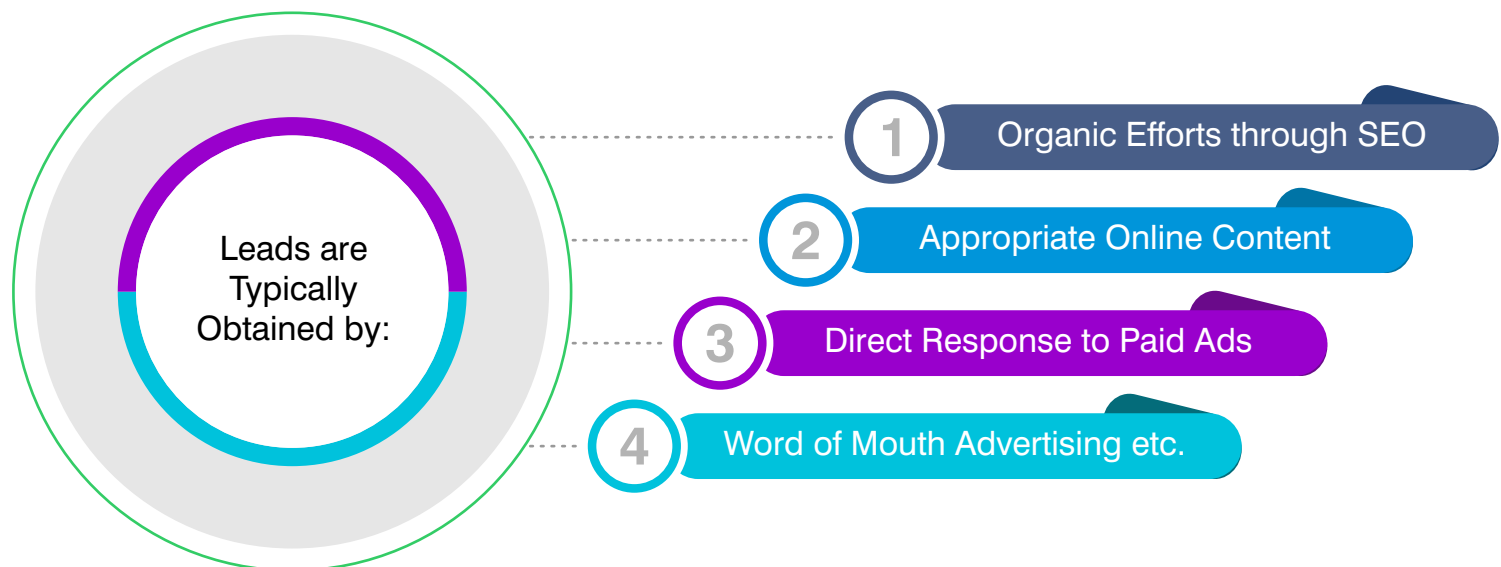
The Importance of Lead Generation

Leads represent potential buyers, at the first stage of the buying process. The more leads captured, the higher the chances for sales revenues as they will transform into clients, subject to follow up by the seller. If a business does not focus on lead generation, it is certainly missing out on reaching out to potential clients and turning prospects into customer and increased sales revenue.

As any business is dependent on its clients, sales leads are essential for developing a client base for both B2C and B2B companies. One can generate leads using different channels: website, advertisements, through word of mouth and others. This is the organic starting point of potential sales activity.



What is a Sales Lead?



Lead Generation Challenges

b Difference between Sales Lead and Prospects

A prospect is often confused as a lead. A lead is an unqualified contact. Any person or individual that has not been qualified as a prospect is a lead. In the sales process, one gather leads first, qualify them into prospects, and then move them through the sales funnel or process.



Despite the variety of channels and methods, companies still struggle to get sales leads. The reasons can be different, from constantly increasing competition and customer demands to an abundance of information that is hard to track or synthesize.

1

Prospecting



Prospecting is the act of qualifying leads and turning them into prospects. In most cases, whatever form is used, one's goal should be to determine if the person could become a prospect and a customer. The next phase is the Selling Phase. The selling phase of the typical sales cycle begins once there is a prospect.

2

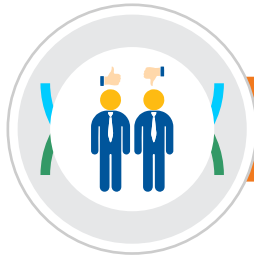
The Sales Lead



The sales process begins with gathering of leads, where some of them are then qualified into prospects. Leads come from a variety of places. One can buy lists provided by market research firms, identify them by glancing through the phone book, search the internet, or talk to people while waiting in line at the grocery store.

How is Sales Lead Different from Sales Prospect?

Sales prospects are probable loyal customers while sales leads are potential sales contacts



Sales prospects are definite but sales lead are uncertain

Sales prospect is characterized by 2-way communication while sales lead with 1-way communication



Sales leads may or may not be potential customers. Yet they have to be fed with information. Sales prospects need information to make buying decisions

Sales prospects are loyal sales leads. Whereas sales leads are uncertain about the services offered



Sales leads need to be nurtured into sales prospects. But sales prospects are nurtured leads.

C Different Sources of Trade Leads

Many businesses run expensive marketing campaigns and hire professionals to get a steady flow of leads. However, it is not the only option. One can get leads from other organic sources as well.



1. Get Referrals from Current Customers

The best way to prove a business's professionalism is to let the happy clients speak of it. Try to contact the customers to thank them and ask them to share their experience. If they are happy, one can use these referrals to demonstrate the high quality of the work; if not, ask for reasons to see what and how may the business can improve.



2. Work with Personal Network

When it comes to business, many people overlook the power of their own personal network. The neighbors, friends, coworkers can be another valuable source of lead generation, as they might know somebody interested in the offered services. One has built-in trust with those people so they can easily spread the word about the business. Incentivize them to create trade leads. These leads would be more assured and less expensive.



3. Word of Mouth Marketing

It might be the oldest marketing technique that still drives consumer confidence and sales. Some studies reflect the increasing power of social media and consider word of mouth an impressive tool for boosting or ruining brands' reputation.

Customer referrals can help to promote the business by generating sales leads without dedicated marketing support. After a friend's recommendation, customers are more likely to make a purchase and trust the business. Just focus on providing great customer experience and let the clients advertise the brand.



4. Develop a Website

A business's website is increasingly going to be the first contact of every prospect or client/customer. A significant percentage of studies suggest that up to 88% of people consider abandoning a website, never to return again after a bad experience. If one does not have attractive, user-friendly, and interesting website, he/she might miss out on a massive audience and potential profit. The amount spent on online advertising through websites etc. has probably crossed a \$240 billion mark, worldwide, as reported last year, which is greater than the TV advertising at approximately \$180 billion. Customers spent more than \$500 Billion online just in the US.



5. Use a CRM System

Businesses usually have to deal with massive amounts of customer data, so Customers Response Modules CRM systems can help them to organize this information and automate simple processes, saving not just time but money. What is more, it has been researched that automation of lead management can increase revenue by up to 10% just in 6-9 months. Use a CRM to automatically collect email addresses, sort, and segment both customers and prospects and send personalized sales pitch messages.

d Identifying and Taking Forward of a Sales Lead

Different types of sources can get sales leads but all of them do not have the same quality of potential. Qualified leads acquired through organic process, converted into sales prospect will start to turn into sales deals much faster than the purchased leads. Purchased leads would not be qualified as conveniently as those that have been acquired by one's own self. To sum it up, one can purchase leads, but in most cases, they will perform worse than the organic leads and convert less into prospects.



How to Track The Leads

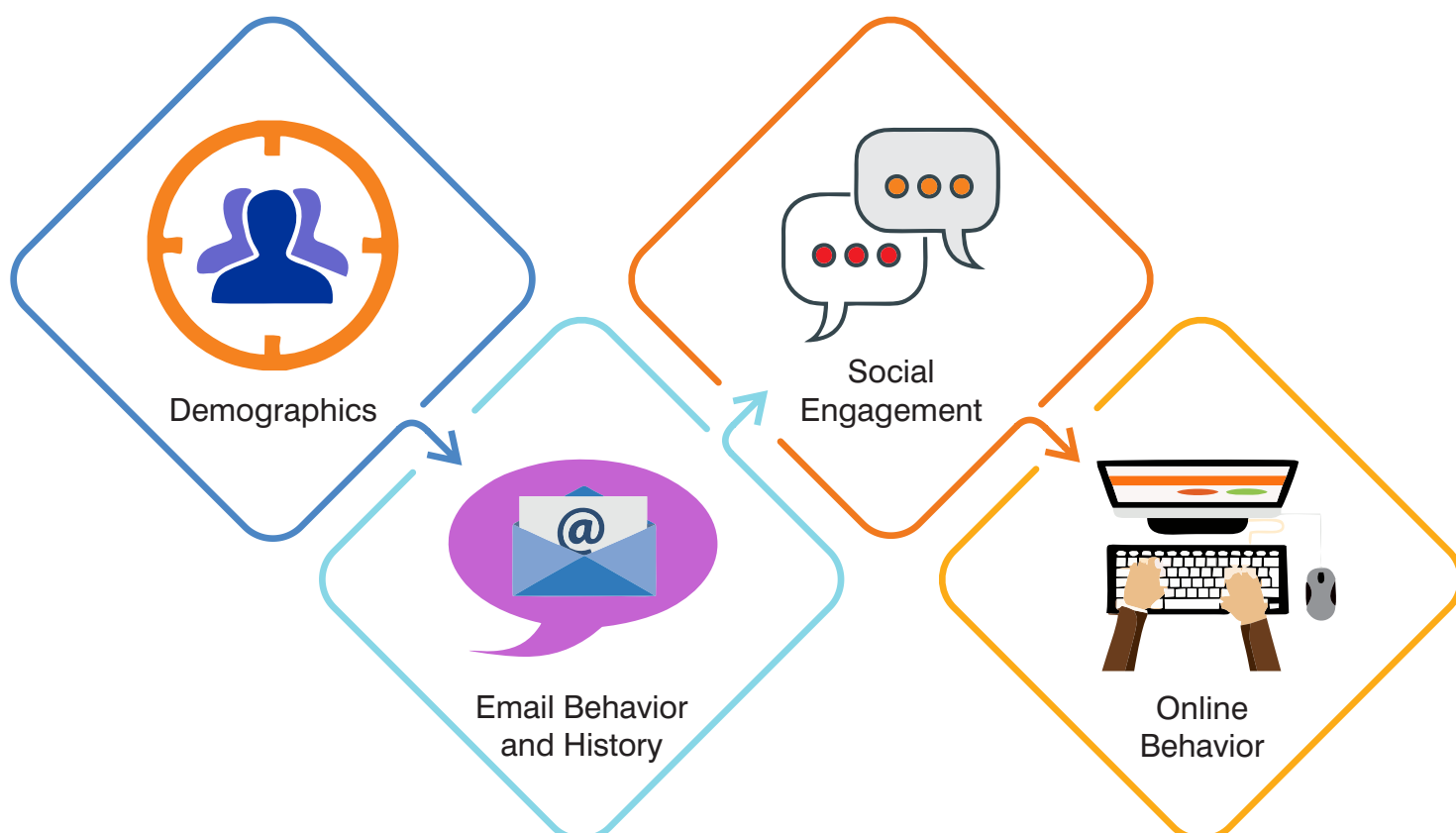
To keep eyes open and to understand the effectiveness of the strategy, one should find a way to track their leads. The simplest way to do it, is to optimize CRM for sales leads tracking. Use it to monitor the conversations with potential customers and continue to analyze how many customers one has acquired.

There are also special lead management softwares that can handle more specific tasks like automatically uploading databases, assigning leads to a salesperson, generating reports, measuring ROI, etc. including following; Zoho, Salesforce, Quick Base, Apptivo, Really Simple Systems.

Sales Leads Management

After capturing the leads, one still needs to organize the database, create several categories, and implement different strategies to get as many customers as possible. For effective sales leads management, the business owner can use lead scoring, assigning potential customers a value based on their information. This method helps to separate the most prospective leads from those who are not ready to buy yet.

Leads can be scored by:



e Qualified Lead – Qualifying a Lead in a Short Time Frame



A qualified lead is a sales prospect, created by the marketing department and vetted by the sales team. After receiving initial contact from marketing, sales team continues the interaction, exploring their interest and capability to purchase. If sales add them in their queue, the lead is deemed “qualified” as a viable prospect.

Characteristics of Qualified Leads

Qualified leads are the ones that:

- Have completed, or are in the process of completing, the nurture campaign cycle.
- Are in control of their own buying cycle.
- Have brainstormed and listed their exact needs in a solution.
- Have a clearly defined budget to work with and are researching solutions within their means.
- Customers that come from qualified leads typically have low turning away rates because they close on their own terms.

Types of Qualified Leads

There are different types of leads based on how they are qualified and what lifecycle stage they are on.

Marketing Qualified Lead (MQL)

Marketing qualified leads are contacts who have engaged with the marketing team's efforts but are not ready to receive a sales call. An example of MQL is a contact who fills out a landing page form for an offer (like in our lead generation process scenario below).

Sales Qualified Lead (SQL)

Sales qualified leads are contacts who have taken actions that expressly indicate their interest in becoming a paying customer. An example of an SQL is a contact who fills out a form to ask a question about the offered product or service.

Product Qualified Lead (PQL)

Product qualified leads are contacts who have used a product sample, may be in small quantity and have taken actions that indicate interest in buying the product and becoming a paying customer. PQLs typically exist for companies who offer a product trial or a free or limited version of their product (like HubSpot!) with options to upgrade, which is where the sales team comes in. An example of a PQL is a customer who uses a free version but engages or asks about features that are only available upon payment.

Service Qualified Lead

Service qualified leads are contacts or customers who have indicated to the service team that they are interested in becoming a paying customer. An example of a service qualified lead is a customer who tells their customer service representative that they would like to upgrade their product subscription; at this time, the customer service representative would up-level this customer to the appropriate sales team or representative.



1. Use Social Media

Online lead generation is an internet marketing term, that refers to the generation of prospective consumer interest or inquiry, into products or services of a business through the internet. Leads, also known as contacts, can be generated for a variety of purposes: list building, e-newsletter list acquisition, building out reward programs, loyalty programs or for other member acquisition programs.

In this world of increasing connectivity, a significant proportion, about 42% by some studies, of the current world population uses some kind of social media, so take advantage of such wide coverage. B2B companies can focus on LinkedIn as it provides an amazing network for businesses, but expanding to Facebook and Twitter can grant more benefits. With the rise of social networking websites, social media is used by organizations and individuals to generate leads or gain business opportunities.

Try to make as many connections as one can to get more prospects. Use social media e.g. Facebook, Twitter, LinkedIn etc. to get recommendations from the clients, post special offers, and tell more about the business.



2. SEO - Search Engine Optimization

Instead of investing in massive ad campaigns, one can optimize the website for search engines to generate organic traffic. All of the webpages are scanned and analyzed by algorithms that rank website based on different criteria. To adopt a basic Search Engine Optimization SEO strategy, one should focus on the quality of the content, update information and blog posts to make the website naturally rank higher. Apart from learning by one's own self, consider using experts' advice and assistance.



3. Email Marketing

Email remains one of the most popular ways through which businesses communicate with clients and vendors. Because of this, marketers often send messages to users' inboxes. Many leads are generated every day with cold email campaigns and warm email campaigns. For the foreseeable future, email campaigns remain a great online marketing tool.



4. Advertisements

This is usually a paid method as advertisements are source of revenue for marketing and advertising firms. However, they are desired as paid advertisements have been proved to be effective in generating leads for years. What is more, there are some options that work great with marketing automation. Many social media platforms like Facebook or Twitter can help to post lead generation ads, which help to easily collect email addresses within the social media. Invest in learning about online advertising. There are three main pricing models in the online advertising market that marketers can use to buy advertising and generate leads:

1

Cost per Thousand (e.g. CPM Group, Advertising.com), also known as cost per mile (CPM), uses pricing models that charge advertisers for impressions — i.e. the number of times people view an advertisement. Display advertising is commonly sold on a CPM pricing model. The problem with CPM advertising is that advertisers are charged even if the target audience does not click on (or even view) the advertisement.

2

Cost per Click Advertising (e.g. AdWords, Yahoo! Search Marketing) overcomes this problem by charging advertisers only when the consumer clicks on the advertisement. However, due to increased competition, search keywords have become very expensive. A 2007 Double-click Performics Search trends report shows that there were nearly six times as many keywords with a cost per click (CPC) of more than \$1 in January 2007 than the prior year. The cost per keyword increased by 33% and the cost per click rose by as much as 55%.

3

Cost per Acquisition Advertising (e.g. TalkLocal, Thumbtack) addresses the risk of CPM and CPC advertising by charging only by the lead. Like CPC, the price per lead can be bid up by demand. Also, like CPC, there are ways in which providers can commit fraud by manufacturing leads or blending one source of lead with another (example: search-driven leads with co-registration leads) to generate higher profits.

For the marketers looking to pay only for specific actions/acquisition, there are two options:

1. CPL advertising: Online Lead Generation
2. CPA advertising: Also referred as affiliate marketing

Step by Step Lead Generation Checklist



STEP I: GOALS AND OBJECTIVES

First action is about setting the right goals and objectives for lead generation.

To make sure one gets the most from the lead generation, here are some things to think about:

- Determine if one wants to measure the quantity or quality of leads (or both)
- Set lead generation goals based on what the bigger business goals are
- Make sure to communicate that goal to the team (and motivate them to reach it)
- Setup tracking to measure the progress of the goal



STEP II: SIDENOTE: WEBSITE SETUP

Before going any further, one needs a website obviously that is optimized for handling any leads. He/she should make sure that they have picked the right CMS (like WordPress), added links to the social media channels and one has CRM software in place to handle the lead data.



STEP III: LANDING PAGE

A landing page is a web page a visitor lands on for specific purpose. It is at this page where we get all the information to move leads further down the sales funnel.

Here are some things to consider for having an effective landing page:

- Make sure the landing page has a clear CTA (Call-to-Action)
- Focus on the customers viewpoint
- Include an effective headline
- Use a clean and simple design
- Show of the social status



STEP IV: LEAD MAGNET

A lead magnet is something of value offered by a landing page in exchange for an email address or useful information about a possible customer. Some examples include: guides, reports, eBooks, case studies, checklists, courses and infographics.

Here are some characteristics of a good lead magnet:

- Solves a real problem the target market has
- Helps the prospect achieve something quickly
- Be specific in what is being aimed at to achieve
- Be simple and easy to understand
- Create something high value that people actually want
- Make sure it is easily accessible for everyone
- Do not forget to demonstrate the expertise in the lead magnet



STEP V: TRAFFIC

Having goals, a landing page and lead magnet are pointless if no one is coming to the website. One needs to attract viewers to get online visitors to the site.

Here are some inbound marketing tools/ channels to consider:

- Social Media – (e.g. LinkedIn, Twitter, Pinterest, Google+ , SlideShare, and YouTube)
- Pay-per-Click Ads – (and remarking)
- SEO (Organic Search) – make sure the site is SEO ready to benefit from traffic from search engines
- Email Marketing – create high quality emails and an email funnel for leads



STEP VI: CONTENT PLAN

Everyone knows websites need good content on them. But before one rushes ahead and starts filling the website with blog posts, it is worth putting together a content plan.

Here are some tips for doing so:

Target audience personas and their needs;

- Explore and understand any industry issues, to remain relevant
- List, prioritize and write about content that will attract people to the site
- Use formats people want to see. Remember, content isn't just blog posts, but can be checklists and videos
- Decide on a publication frequency (e.g. weekly or monthly)

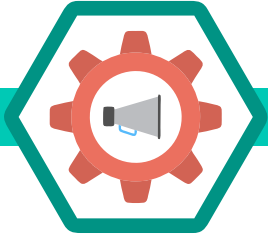


STEP VII: LEAD NURTURING

Once the business owner has converted visitors into leads, he/she wants to nurture them into sales prospects and eventually customers. Lead nurturing is a way of forming a connection with a lead, so one can build trust until they are ready to buy.

Here are some things to consider to make sure one generates customers from leads:

- Email Marketing (consider what type of content to send them and how often)
- Use Automated Follow-up Workflows and Emails
- Use Lead Scoring (for example by behavior or by demographics)
- Define Audience and Segment
- Offer Valuable Content in lead nurturing emails, free of cost
- Set objectives and goals for each email being sent
- Develop a timeline for lead nurturing emails
- Make sure to evaluate success and optimize accordingly



STEP VIII: CAMPAIGN MANAGEMENT

One of the most important parts of lead generation is staying organized. Campaign management is about ensuring that everything runs, smoothly.

Make sure to:

- Check campaign content (to include up to date and accurate information)
- Have a social media promotion schedule in place
- Have an email promotion schedule
- Setup an online advertising schedule (e.g. blogs, Google AdWords, LinkedIn Ads, Retargeting etc.)
- Do not forget about any offline promotions like direct mail or industry magazine articles



STEP IX: MEASURING LEAD GENERATION

Knowing what is (and what is not) working with lead generation is vital for having a successful campaign.

Following are some of the things to consider measuring and analysis:

- Website Visitors by Source (Direct, Organic Search, Paid Search, Social Media, email, Offline)
- Leads (Website Registrations) by Source
- Customers by Source
- Conversion Rates
- Content Performance
- Customer Acquisition Cost
- Revenue Numbers with Attribution



Remember:

The goal of measuring lead generation efforts is to be able to confidently decide how to best scale the lead generation efforts in the future.

10 Steps to Lead Generation

Buyer Persona's

Know who to target.

Buyer's Journey

To help you understand the process your buyer goes through before purchasing your product.

Create Content Article

What problem are you trying to solve for your prospective client/buyer persona?

Lead Magnet (Content Upgrade)

More and better information on the same topic that is available as a download via email, so you can gauge if they have an advanced interest.

Thank You Page

Describe how are you planning to solve their problem and make an offer for them to get it. Mention the lead magnet is coming via email opt-in.

Email Opt-in

Opt-in provides link to the lead magnet and is 1st email in follow-up series.

Email Follow-up Series

Spread over a number of days and weeks, provides ongoing information, opportunities and offers.

Set-up Facebook Business Page

You need a Facebook business page if you want to do article based marketing via the FB newsfeed.

Create Facebook Newsfeed Advert

Create a visually appealing advert with the headline of your article and link to the article on your website.

Target Your Audience and Deploy

Use the Facebook ads manager to find your ideal audience/buyer persona, set your budget and run your campaign.



Conclusion

Lead generation describes the marketing process of stimulating and capturing interest in a product or service for the purpose of developing sales pipeline.

Lead generation often uses digital channels, and has been undergoing substantial changes in recent years from the rise of new online and social techniques. The buying process has changed, and marketers need to find new ways to reach buyers and get heard through the noise.

A marketing company, IDG reports in its B2B Lead Generation Marketing Trends Survey, that the company website, blogs and tradeshow, and email marketing are the most effective lead generation tactics being used today. The least effective are reported to be direct mail and print advertising. Social media and events are also an effective way of following business leads.



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