



Show Me the ROI

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Let's say your manager wants you to evaluate your current marketing campaigns in order to determine which are generating the most leads which are converting into the most "sales ready" leads, and of course, which are delivering the highest ROI.

Do you know where to start? While these are all common questions marketers are routinely faced with, arriving at accurate answers can be both difficult and time-consuming. One of the key benefits of implementing an automated lead management system is it can help you analyze the success of your marketing campaigns, and much more.

The Importance of Tracking Leads

Tracking metrics throughout the lead lifecycle is important to most companies, and it is especially trying for those with long sales cycles. Having to wait 12-18 months before revenue is generated to learn which, if any, of your marketing campaigns are working can be a long time. Not to mention the process is further complicated by the fact that rarely does one campaign take full responsibility for moving a lead along the cycle it's often a combined effort of multiple marketing touches.

Tracking lead interaction through all campaigns is critical. What are the important milestones in between that showed lead movement? Yes, there are milestones or key metrics that you can measure to determine the likelihood of campaign success long before revenue hits. These metrics give insight into how well marketing tactics are going, and whether adjustments need to be made to the campaign.

Going Beyond Click-Through Rates

By now, we are all well acquainted with open and click-through rates as a way to measure the initial impact of a marketing campaign. But we need to look further in order to really understand how well leads are progressing through the lead and sales lifecycle. Only by evaluating conversions (and by extension, their movement through the cycle following their conversion) will you have a better answer for your manager on things like lead quality and ROI of marketing programs.

To gain the most accurate picture, we'll need to start at the beginning. Instead of simple opens and clicks, let's actually look at the number of "lead" conversions—those people gave up some personal information in order to get something from your company.



Beyond clicks, which really could denote quite little—especially if you aren't monitoring where they go on your Website and how long they are on each page—we want to get a better understanding of conversions. We need to be able to understand who is converting and how else they might be interacting with your company. For example, are they going to other pages on the Website, viewing Webinars or demos, or are they downloading information? Knowing this information helps us to better understand their beginning of interest, or research and inquiry.

To effectively measure conversions as well as interactions over the life of a lead, you'll need one system that will track all conversions, not only for the first campaign but also for all subsequent campaigns during which the lead has interacted with your company. Today's automated lead management systems will do just that—enabling you to track all the campaigns in which a lead has interacted with you over its life. Such capabilities will help you see over time which campaigns not only initiated action but also continuously brought leads back to your site, helping you to drive them through the lead lifecycle.

Monitoring Lead Progression

Following lead conversions, another thing you need to have visibility into is lead movement or lead progression. Let's say the lead has converted—in other words, the prospect has registered for or downloaded something. If the lead is then ready to pass along to sales, we need to be able to follow up and monitor what happens within the sales cycle.

Has the buyer engaged—has he or she converted from simply being a lead to being a sales-ready lead (based on your company's definition) that has entered the buy cycle? If so, you are on your way. If not, then we need to continuously engage with the lead and measure its interactions with your company through a formalized nurturing process.

To better understand lead movement, ask yourself some basic questions: Has the lead shown continued interest—has the prospect clicked on e-mails or newsletters you've sent on articles of interest? Has the prospect had early conversations with your telemarketing or insides sales? Has the lead reacted to lead nurturing programs you have implemented? Lead management systems enable you to target and automatically implement nurturing programs to stay top of mind with the prospect. But just as importantly, they also enable you to track the interactions of that lead across your campaigns. This type of measurement will give you a sense of lead movement per campaign and across all campaigns, as well as across all leads. Through lead management systems the lead scoring function will enable you to easily identify those leads that have progressed and met your sales-ready criteria versus those that have not.

Similarly, these systems' lead tracking and scoring functions further enable marketers to highlight those campaigns that are helping to progress leads and those that aren't. They give marketers quick access to insights about what nurturing is most effective, which message gets the most reaction, and which are just not engaging the audience. Such reports derived from your lead data will enable you to get a sense of your campaigns' success long before revenue is generated and attributed back.

It should, of course, be noted that metrics should continue even after the lead enters the sales cycle. Additional metrics should be tracked so you can see how many leads generated from which campaigns are moving effectively. Lead management systems allow you to compare your various campaigns to see if different market segmentation, different messaging, or nurturing methods produced different results.

The Final Step

Certainly, the final metric is that of revenue—effectively mapped back to which campaign(s) drove the lead. This is where it is critical for marketers to move beyond CRM systems to today's lead management solutions that can map multiple campaigns to a lead record.

Often, it takes multiple campaigns and interactions with a lead to get them to the buy cycle. To effectively and accurately measure ROI, we must be able to capture each of the campaigns and the resulting interactions. It is rarely acceptable to say just one campaign or initial interaction was fully responsible for generating the associated revenue. This is especially true since, more often than not, that one lead was nurtured and exposed to your company through multiple methods.

If you don't have a lead management system to measure each step—each campaign the lead interacted with over its life, how the lead was nurtured to move it forward, and what revenue was generated from each campaign—you won't be able to adequately supply your manager and company with needed information.

Marketing itself has to become more metric-driven—it should not rely on sales or sales automation systems to deliver the final ROI. By implementing technologies for tracking the lead throughout the lead lifecycle, for evaluating interim metrics to predetermine campaign success, and for gaining insights on lead movement and sales readiness, marketers can begin to maximize their lead generation dollars and sales resources.

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