

RSVP



Leads are precious, treat them like gold



It's essential to get the most from the leads your business receives --- your marketing and advertising dollars are being spent to create them, so why wouldn't each be treated like gold?

There are two keys to successful lead follow-up: how quickly you respond to customer inquiries, and how that request is handled.

Responding quickly to customer inquiries

Industry research on sales estimates that 40-50% of leads are never followed up --- and most leads have a shelf life of less than 72 hours. A 2012 study of lead response behavior conducted by InsideSales.com says that 36% of leads are never called.

Whether you're the marketer who's responsible for generating leads for sales, or the business owner approving the budget, this should scare the hell out of you. How much money are you losing if your sales staff isn't making contact with new leads --- or taking too long to answer customer calls?

You might be wondering why it matters whether you respond to the inquiry immediately, or later when you're less busy.... research shows that 35-50% of sales go to the company that responds to that prospect first. That customer isn't waiting for your return call or email; they're busy contacting your competitor!

Yet here's what a study of lead response times found:

- 37% of businesses respond to leads within an hour
- 16% responded within 1 to 24 hours
- 24% took more than 24 hours
- 23% never responded at all
- **Average response time: 42 hours**

These results are shocking given how quickly leads go cold.

How quickly should a lead be contacted? Best practices put it at within five minutes. According to research, a sales rep is 100x more likely to make contact with a new lead, and 21x more likely to progress that lead into the sales pipeline, if live contact is attempted within the first five minutes of a lead being submitted, according to several research findings.

Email auto-responders don't count here; they're often not designed to move the sale forward. The telephone is still the primary point of contact with customers for many businesses. Phone calls are proven to be the contact

High Value Window
for Responding to
Inquiries:

5

Minutes

attempt that is best to connect and answer inquiries.

Here's a bonus tip: setting appointments with a day (rather than several days out) will considerably increase the chances of an appointment holding up.

In a separate study by the Harvard Business Review, firms that tried to contact potential customers within an hour of receiving a query were nearly seven times as likely to qualify the lead (defined as having a meaningful conversation with a key decision maker) as those that tried to contact the customer even an hour later—and more than 60 times as likely as companies that waited 24 hours or longer.

That's why persistence is also key to this conversation. Rapid response to a lead is necessary, and persistence is often needed to connect with the inquiry. It's not that people don't want to talk to you, they are just very busy. Businesses that increase contact and qualification rates show an increase in number of leads entering their sales pipeline.

**Best practice
for follow-up:**

6 to 9
call attempts
and
2 to 3 email
and voicemail
attempts.

The Definition of a Sales Lead

The definition of a lead is important; if your sales team is interpreting a lead as someone who's ready to buy, they'll be disappointed when these don't close, thus fueling a perception that they're unimportant --- which leads to sales not responding as quickly as they should. Everyone needs to be "on the same page" as to that definition, and expectations set.

So here is what a lead really is: a question. It is a customer-driven sign of interest. Answering their questions will position you as knowledgeable and credible, and by answering quickly, you will create a positive impression as responsive --- and build trust. It creates an opportunity to take the next step to set an appointment or schedule a follow-up.

What this means is that every sales lead needs follow-up. Make sure that all inbound sales leads are entered into your CRM system as soon as they are received and that each one is assigned to a salesperson for immediate follow-up. Use your CRM system on a daily basis to check and make sure that your leads are being followed up. If you aren't checking, it isn't happening.

Measure, Improve, and Measure Again

If you're wondering how fast your sales team is responding, a simple "response audit" will either confirm or lessen those fears. You can have

someone secretly shop you company by going to your website and submitting a fake lead with a real phone number and email address; or simply call in and leave a voicemail. Track how fast they receive a response and how many call attempts are made before giving up.

Improving your sales lead follow-up process

As the old saying goes, "you can't improve what you don't measure." So keep it simple to start with, and measure the following:

- How many sales leads do you receive each week?
- How long does it take to respond to each sales lead? (the time between when the lead is received until a sales person talks to them for the first time)
- What percentage of your inbound sales leads are converted into qualified prospects?
- What percentage of your inbound sales leads are converted into customers?

Share these with your sales team and look for continual improvement. Set expectations on response time and educate them as to why --- knowing that faster response leads to more sales should be a real motivator.

Handling inquiries

Your prospect is calling, now what?

Answer professionally, and include your company name and your name: "Thank you for calling ABC Remodelers, this is Dan. How may I help you?"

Listen. Your prospect has a problem they want solved and they will tell you what they need. Sell a solution that takes care of that "itch" and solves their problem. But first, collect information by listening, showing empathy, and understanding their goals.

Ask, remember and repeat your prospect's name. As basic as that sounds, the personal touch is highly effective. Also gathering their phone number is a good practice, in case of interruption, as well as providing you a way to follow-up later.

Talk benefits, not features. Features describe your product; benefits are what the features do for your buyer. People buy because the benefits solve their problems.

**Don't forget to
thank the
prospect for
calling.**

Here's a simple example, using a Caribbean vacation:

Features: warm sun, temperate winter weather, and beautiful clear water

Benefits: rest, relaxation, lying in the sun on a beach with a gentle breeze blowing

Which image sells better? The answer is clear. Sell on benefits, not features.

Ask some open-ended questions. Ask them a question or two. "Sounds like you've got an exciting _____ – tell me, what's the scoop?" Be genuinely, enthusiastically interested in who they are and what they're up to, and they're going to respond – and now you seem like the obvious choice compared to every other person who just sent them some pricing.

Ask for the appointment (or agree on next step). Whether it's visiting the prospect's home to measure and provide an estimate, or sending more information and agreeing to a follow-up call, be sure to ask for and agree on the next step.

Role-playing with your sales team is an excellent way to improve the quality of your sales calls. Brainstorm ways to answer pricing questions and as well as benefits or some open-ended questions as mentioned above. If you utilize call tracking and calls are recorded, listen to the calls to identify training and coaching opportunities.

Your leads are precious....treat them like gold! Respond promptly and effectively, and you're likely to be well ahead of your competition.

*Sources: InsideSales.com Lead Response Research 2012; Inc. magazine;
Harvard Business Review 2011; Forbes.com 2012*

RSVP PUBLICATIONS

Based in Tampa, Florida, RSVP Publications is a direct marketing company that specializes in helping local and national businesses generate leads from affluent households. Their flagship product, the RSVP luxury card pack, is received by 7 million upscale, owner-occupied homes in the United States.

For more information about RSVP, please visit www.rsvppublications.com or contact the corporate office at 813-960-7787.