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THE DEFINITIVE GUIDE TO SCALING PROSPECTING AND LEAD QUALIFICATION WITH AI AND AUTOMATION

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How to build a scalable prospecting and lead qualification machine that keeps your team laser-focused on revenue

Are you confident that you are following up on your leads in the most optimal way? Many companies miss valuable revenue opportunities because they overlook crucial steps in the sales process—prospecting and lead qualification. When marketers and sales reps don't properly qualify leads before taking them through the funnel, up to 67% of sales are lost. [1]

Lead qualification is a process that has to be done to initiate the sale. Without qualifying, you can't find out whether a lead is actually a prospect—one that has the potential to transform into a customer. Consequently, sales reps are all over the place trying to follow up on all leads that enter the funnel, not having time to focus on revenue. There's no focus, they don't call and/or email in a consistent manner, or worse, they waste time on leads that are never going to convert.

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Find your trigger. Find the qualities that make a lead more likely to convert and focus on those leads.

- Brian Kardon
CMO at Lattice Engines

Companies are aware of the problem. CSO Insights[2] found that 53.3% of sales organizations consider the inability to generate qualified leads as their number one challenge. In fact, "59% of marketers said generating high quality leads is their biggest B2B lead generation challenge, matching the increased focus on lead quality."[3]

However, it is no secret how time-consuming prospecting and lead qualification are. Sales reps generate 48% of the leads they pursue, which combined with researching, consumes 22% of their workweek.[4] Actual selling time drops to 36% of sales reps' average workweek.[5]

Similarly, 61% of marketers identify lack of resources, which include staffing, budget, and time, as the biggest obstacle to successful lead generation.[6]

Moreover, a survey[7] of 900+ sales organizations found that sales development reps (SDRs) do an average of 94.4 activities per day which involve an average of 36.2 emails (38.4%), 35.9 phone calls (38.0%), 15.3 voicemail messages (16.2%), and 7.0 social media touches (7.4%).

These daily activities across lead qualification, prospecting, and follow-ups proved to be so time-consuming that only 14.1 meaningful conversations are created a day or only a 14.9% conversation rate. As a result, leads fall through the crack. Accenture revealed that less than 50% of leads result in an initial discussion with a prospect.[8]

President and founder of InsideSales.com, Ken Krogue, shared the results of their in-house research, that "only 27% of leads ever get contacted." Yet, Krogue continued, "With a combination of awareness, best practices, and technology; companies can contact around 92% of leads."[9]

There is a silver lining. That is, having the right technology in place. Scaling your lead qualification and prospecting, making them more efficient and less time consuming, without compromising your marketers' and sales reps' time and effort, is possible. You just have to implement the right combination of strategy and technology.

As a one-stop resource, this e-book explains why prospecting and lead qualification matter, discusses how to define your target persona, and offers proven and effective qualification and prospecting methods. Finally, it also examines how combing these efforts with the right technology turns your marketing and sales organization into a well-oiled, revenue-generating machine.

Discover why prospecting and qualification matter yet are hard to do

Focus on revenue.

In today's fast-paced environment, your sales reps can't afford to spend too much time following up on leads that are not ready to buy. Whether you do cold calls, emails, or social media, lead qualification sets you up for efficiency at the very start of your sales process.

In a McKinsey & Company survey,[10] US and European sales execs consider the ability to identify the right customers and opportunities as the most important factor that drives sales growth.

"Analytics and tools for lead qualification and scoring are crucial. They can evaluate the likelihood that a lead coming from a particular type of customer or particular channel—say, a website email, referral from a conference, or inquiry at a retail store—will result in a sale, letting sales reps prioritize their time and efforts."

Time and information are power.

By qualifying leads, your sales reps can focus their time and effort on those that have the highest potential to become prospects and eventually, customers. Qualification and prospecting give you a bigger picture of your target. For instance, when you are sure that a prospect is indeed ready to buy, a sales rep can immediately do the follow-up work until it reaches the bottom of the funnel.

According to a Harvard Business Review research, sales reps who reach out to an online lead within an hour of query “were nearly seven times as likely to qualify the lead 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.”

Meanwhile, if you identify that the lead is far from converting into a prospect, perhaps the lead just happened to come across your website and filled out a form to download content for now. Then you can send it to your marketing for nurturing until it’s ripe for conversion.

Understanding pays off.

Most companies don't realize that they already have a goldmine in their database. With timely lead qualification, you get a better sense of who are the prospects to follow up on now and how to handle the rest. This gives you an edge, enabling you to focus your effort in understanding your prospects and crafting valuable customer relationships in the long run.

Sales is all about relationships and understanding your potential customers when you qualify them helps form meaningful ones. A Dun & Bradstreet publication[12] revealed that buyers (29%) feel sales failed to do basic research about them. Lead qualification prevents such situations from happening as it equips sales with knowledge on their high-value prospects.

The publication concluded, as sales reps concentrate on helping prospects accomplish their goals, "this will lead to repeat sales and a greater lifetime customer value for the business." Following up in a timely manner, even if it's tedious, gets you there.

Start making prospecting and qualification less daunting by defining your persona

Know your ideal customer.

No matter how you look at it, successfully qualifying leads starts from knowing who your main prospect is. Also known as your ideal customer, it defines the leads that get the best value out of your service or product—those that your company can help the most. Here are some questions to ask from Salesforce:[13]

1. Who is the customer?
2. What are they looking for?
3. Where do you find them?
4. Why should they consider you?
5. When do they need it?
6. How do you reach them?

Since lead qualification is about maximizing your sales reps' time, it's also apt to define which leads are not considered ideal. Many times, it's easy to try converting all the leads that come to the pipeline. By defining your persona, your ideal customer, your sales reps become laser-focused, following up on only high-quality prospects.

Enrich your customer profile with data.

If you qualify leads correctly, you get the right prospects that turn into paying customers and sustainable revenue for your company. Once you have a picture of your ideal customer, it's time to get down to the details. Here are some basic data to consider:

1

Personal data
(job title, role, authority)

2

Firmographic data
(industry, company size, annual revenue, technology used, industry and company news)

3

Behavioral data
(social media accounts and sentiment, website engagement, advertising platforms statistics)

> Garbage data in, garbage results out. Whether you do inbound or outbound marketing, the quality of your database and lists has a huge impact on your results. Attaining better information about prospects and where they are in the buying process is one way to improve the quality of sales-ready leads.

- Brian Carroll
Executive Director at MECLABS

Implement these five steps to put more structure into prospecting and qualification

Score and rank leads.

Not all qualified leads are equal. Lead scoring assigns an arbitrary number to rank leads based on sales' fitness and readiness. The score helps you prioritize and articulate the potential value of leads or prospects for marketing and sales. It strips away another layer of guesswork, enabling your sales reps to know which leads to prioritize and thoroughly follow up on.

Companies with effective lead scoring have a 192% higher average lead qualification rate than those that do not.[14] Regardless of the size of your company and its target persona, lead scoring helps you get the most out of the early visibility you get into your leads' buying journey. It eventually saves you time as you focus on prospects that have the highest potential to reach the bottom of the funnel.

The SiriusDecision Demand Unit Waterfall

Interesting to know: The latest SiriusDecisions Demand Unit Waterfall[15] is inspired by two trends happening in the B2B marketing and sales space. First, companies' increasing focus on understanding buyers and aligning strategies to specific personas. And second, companies having more visibility into the initial stages of the buying cycle.

Design segments for unqualified leads.

Not all leads become prospects right away, especially if you have a large volume of leads that come from a myriad of marketing channels. They can be in different stages of the buying journey, and some of them may have the potential to turn into prospects when the right time comes.

You can create segments for these unqualified leads and push them through a personalized nurture path until they turn into prospects. In fact, Aberdeen[16] Research found that almost half (49%) of companies allow sales to "reject leads deemed as requiring further nurturing by marketing."

Have a lead management game plan.

According to Gartner Research, an overall broken lead management system results in 70% of leads that are never acted on.[17] That makes sense, since if you don't quality nor follow up on time, leads fall through the crack. On the contrary, Forrester Research revealed that 46% of marketers with well-planned lead management strategies have sales teams following up on more than 75% of leads.[18]

Moreover, with a management system in place, you can transform people's knowledge and skills into standard processes. It also provides a structure throughout the lead life cycle—from generation and qualification to distribution and maturation.

Align marketing and sales.

Smooth communication between your marketing and sales teams is as important as understanding your ideal customer. It's because they share the responsibilities even in the initial stages of prospecting and lead qualification.

Marketing and sales alignment means having company-wide acceptance and usage of what an ideal customer is, which information to collect, as well as how to score leads. Companies with aligned sales and marketing teams have 38% higher sales win rates.[19]

Implement a service-level agreement.

One way to manage lead qualification is establishing a service-level agreement. It not only simplifies the qualification and prospecting process but also breaks down silos and establishes shared accountability and success between marketing and sales.

According to HubSpot, 39% of sales respondents who have an SLA with their marketing counterpart considers the leads from marketing higher quality than direct cold call leads.

An SLA is a great tool to uncover best practices, train marketers and sales reps, and improve current processes. With these benefits in mind, here are the important contents your SLA must contain:

1. Shared definitions, goals, and KPIs
2. Marketing and sales teams' roles and responsibilities
3. Agreed upon procedures and timeframes

Explore why prospecting and qualification need two-way conversations

Meaningful conversations are the foundation of valuable customer relationships.

Lead qualification and prospecting ensure that leads are not treated as static numbers that only exist to fill up your pipeline. From knowing your ideal customer to actually putting the customer first, the next step is asking the right questions and listening to the answers.

Asking your prospects the right questions enhances your understanding of your prospects. While listening closely and practicing empathy improve rapport and connection, both increase your prospects' engagement and likelihood to buy.

In fact, 78% of marketers think engagement occurs in the middle or end stages of the funnel, while 20% define it as a top-of-the-funnel awareness.[21] In other words, engagement exists throughout the funnel, which calls for labor-intensive but much needed follow-ups across all leads and prospects.

There are many ways to question and listen to leads, and BANT is one. Here are some prospecting and lead qualification questions using the BANT framework:

Budget. Do you have a budget for solving this problem?

Authority. Are you the decision-maker for this service or product?

Need. What challenges is your company going through right now?
What objectives do you want to achieve by purchasing our solution?

Timing. How urgent is solving this problem to you and the company?
Are you c]onsidering other offerings?

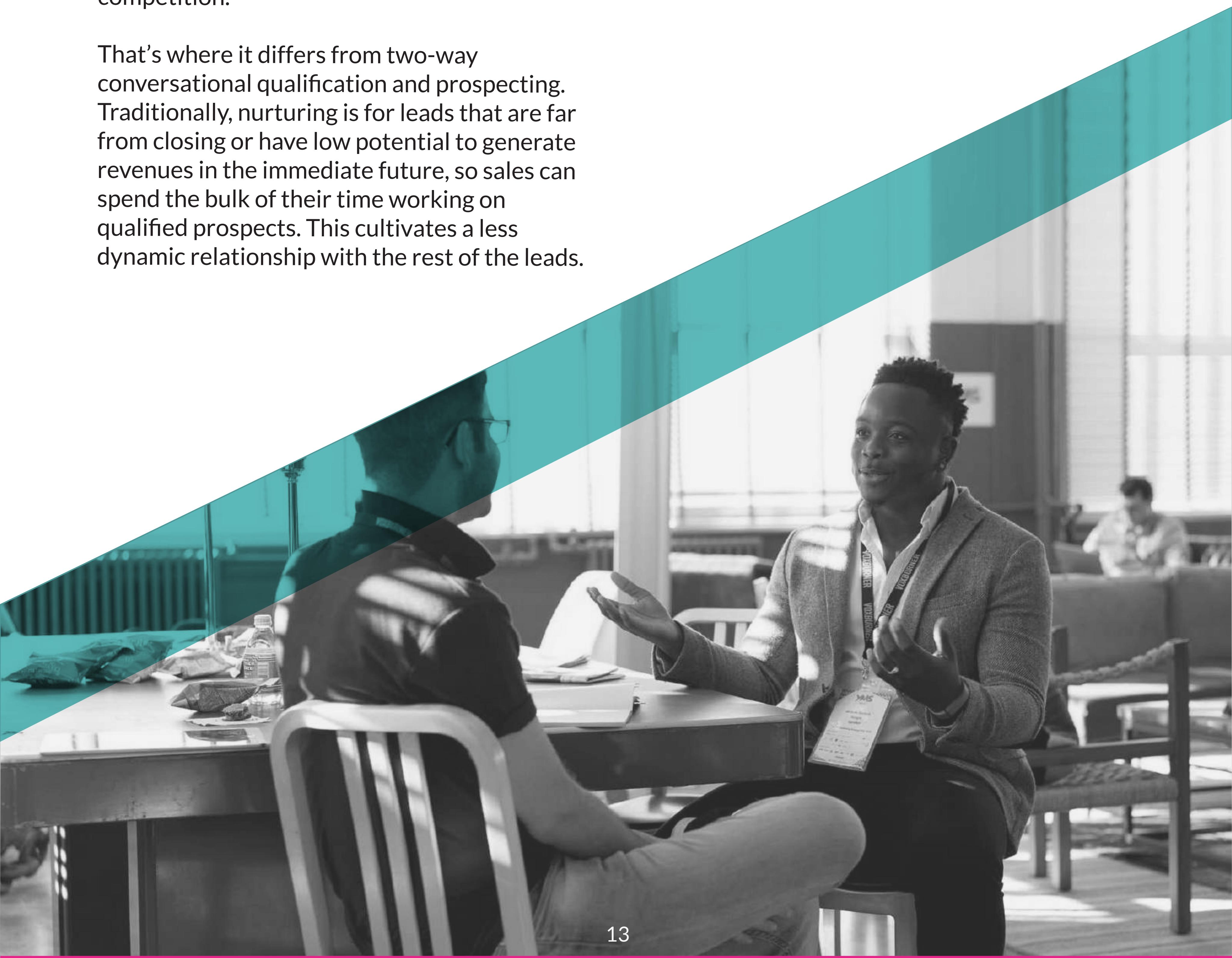
The difference between nurturing and two-way conversational qualification.

The beauty in lead qualification and prospecting is not only having the ability to prioritize prospects but also to identify leads that need to be nurtured. The main objective of lead nurturing is to make sure that leads become qualified as prospects.

Ascend2 revealed that lead nurturing increases conversion rates and sale opportunities for 68% of marketers.[22] Jason Watson, Director of Sales, shared, “Without lead nurturing, you risk re-purchasing today’s non-qualified leads, when they become qualified later. Worse, you’ll lose sales to the competition.”[23]

That’s where it differs from two-way conversational qualification and prospecting. Traditionally, nurturing is for leads that are far from closing or have low potential to generate revenues in the immediate future, so sales can spend the bulk of their time working on qualified prospects. This cultivates a less dynamic relationship with the rest of the leads.

With two-way conversational qualification, you combine lead nurturing techniques (such as emails, educational content, and product information) with relevant, timely, and customized interactions. This makes for a more holistic and active approach that all of your leads and prospects can experience.



Why persistence and timing are important in two-way conversational qualification and prospecting.

To ensure that qualified prospects go down the funnel and turn into actual opportunities, your sales reps need to establish a consistent experience by sending the right number of follow-ups at the right time through the right channel.

In a survey conducted by TOPO[24], high-growth sales organizations use an average of 16 touches per prospect, using a variety of channels such as dials, voicemails, emails, and social media within a span of two to four weeks. You may be wondering why so many?

Persistence matters because there are many reasons why prospects don't get back to you immediately. First, if you're reaching out to them, there are probably others who are doing the same. Second, your prospects may be unavailable at the time you contacted them—either they're busy or on holiday. Or third, they simply don't yet see the value in your product or service at the moment.

How do you show persistence in sales? You follow up and follow up some more. But keep in mind that besides the large volume of leads to connect and engage with, you also need to consider the time.

Research shows that 35-50% go to the vendor that responds first[25]. Moreover, according to Vorsight, "At any given time, only 3% of your market is actively buying, 56% are not ready, and 40% are poised to begin." What these highlight is the importance of nurturing and consistent follow-ups across all of your leads and prospects throughout their buying journeys.

Even if following up eats up your sales reps' time, it does pay off. Another source recommends sales organizations do 8-12 attempts over a period of 10-14 days using multiple modes of contact. InsideSales.com's research with Dr. James Oldroyd, former Research Fellow at MIT, and with data analysis company InfoUSA shows that adopting this approach results in a 90% contact rate for all possible leads.

Timely and relevant two-way conversational prospecting and qualification enable your sales reps to listen actively and offer personalized information and advice to leads and prospects throughout funnel. Unfortunately, following up on all of your leads and prospects is labor-intensive and time- and resource-consuming.

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Persistence, when done respectfully and consistently, breaks through. It reminds customers that you are there with a solution to their problems. It gives them multiple chances to connect. And, though it may take half a dozen times to get a response, land that meeting or open a discussion, they will thank you in the end.

- Michael Mehlberg
Senior Director Business Development,
Cryptography Research

Transform the resource-depleting tasks of two-way conversational prospecting and qualification into a competitive advantage with AI

With your limited number of sales reps, the biggest roadblock is scaling prospecting, lead qualification, and two-way conversations and follow-ups in a timely and efficient way. This is where adopting the right technology comes in.

Engage all leads and prospects.

Wherever your leads or prospects are in the journey, a robust AI platform identifies their decision points and nurtures them according to their needs and preferences. From new prospects to old leads in your database which statuses you are no longer sure of, AI helps you engage with all of them.

Turn more leads into prospects.

When you use AI, you automate the manual task of qualifying leads. On your behalf, the platform asks the qualifying questions that identify a lead that's ready to buy. This ensures that no revenue-generating opportunities slip through the funnel and all high-quality prospects are followed up by sales reps.

Deliver personalized, human-like interactions.

The ultimate competitive advantage of using AI in qualification and prospecting is its ability to send new and follow-up messages and understand their responses in return. Whether it is through your website forms or email campaigns, a well-equipped AI solution delivers meaningful and relevant two-way conversations to 100% of your leads and prospects.

By leveraging the right technology, sales reps now have more time to focus on revenue-generating activities, impress leads with meaningful interactions, and deepen brand loyalty through human-like, two-way conversational prospecting, qualification, and nurturing.

Exceed's AI Sales Assistant helped a leading where-to-buy solution provider save about 20% of the time dedicated to qualifying and nurturing leads, and intelligently engage 2X more leads. "In the first three months, Exceed provided opportunities to the value of €200,000 and another 15 potential conversations that are likely to become opportunities within the next few months," said Mark Gilroy, Business Development Representative.

If you are thinking about revamping your labor-intensive and complex prospecting and lead qualification with AI, here's how your lead qualification may look:

1 Set up and control:

Import your sales playbook into the AI platform. Make sure that you incorporate elements of your SLA so there's coherence between your marketing, sales development, and sales teams. From the beginning until the end, you have to control the communication sent from the platform.

2 Engage and nurture:

AI initiates personalized, two-way conversations via email or website chat to 100% of your leads and prospects at scale. It also helps optimize an email cadence focused on qualified leads that's most likely to generate a response.

3 Qualify and schedule:

The AI engine works to understand, reply, and respond to prospect questions like a human rep. This personalized experience allows it to further qualify leads, follow up in a timely manner, and even schedule sales calls with human-like engagement.

4 Scale and improve:

Besides increasing your sales reps' efficiency, AI enables you to improve your current processes as it learns from your best reps over time to scale up your best practices. Everybody wins.

With your robust processes combined with the right AI solution, you can easily scale lead qualification, prospecting, and nurturing that generate the results you need. Marketers deliver qualified leads, sales reps prioritize and convert more prospects, and customers feel they are listened to and heard.

By establishing the most optimal, AI-enabled way of prospecting and lead qualification, your marketing and sales teams are now laser-focused on revenue, following up on prospects that turn into opportunities. This translates not only into a healthier and sustainable bottom line, but also long-lasting and meaningful relationships with your customers.

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