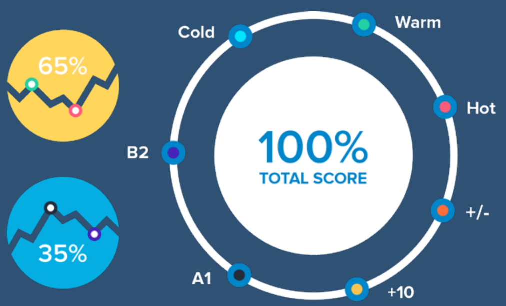


Lead Scoring Best Practices

HOW TO EFFECTIVELY RANK LEADS AND TURN THEM INTO MQLs

makesbridge™

Lead Scoring
Best Practices

What is Lead Scoring and Why You Need It

As a marketer, you know not all leads are created equal. At the same time, the amount of leads can sometimes seem daunting as you face the conundrum of how to turn your list into Marketing Qualified Leads (MQLs).

That's why lead scoring is a necessity in your marketing strategy. Lead scoring is a method of ranking leads based on who they are (explicit information) and how they engage with your brand (implicit actions).

Translating digital body language, using a scale agreed upon by marketing and sales, to prioritize prospects will not only drive engagement, but also maximize your sales and marketing resources.

This process will give you insight into what prospects are interested in, identify where they are in the buying process, determine the appropriate follow up, and let you know when they are ready to hand off to sales (MQL). Not only will prioritizing leads via scoring methods improve the efficiency of marketing activities, you'll benefit from:

- ✓ **Better focused sales efforts**
- ✓ **Better ROI**
- ✓ **Increased conversion rates**

Notably, lead scoring helps prioritize a sales person most precious commodity, their time.

Getting Started

Starting your lead scoring program requires two elements; collaboration between sales and marketing, and technology.

To establish a methodology, it is imperative that sales and marketing agree on the parameters that qualify a lead and determine a score threshold for "sales ready" leads. There are many data points for ranking prospects, however, they fall under two umbrellas; explicit and implicit information.

Explicit information is shared demographic information and includes data often referred to as BANT (budget, authority, need and timeline), as well as data filled out on custom qualified fields (signed up for webinar, download, etc.) such as job title, company revenue, industry, location, etc.

Newer BANT models now often include "size of opportunity," adding an "S." This calls out the importance that all deals are not created equal and should be part of the scoring equation. For instance, a $500,000 deal will hold more weight than a $5,000 deal.

Implicit information is behavioral data, or digital body language, that shows a prospect's interest in your company/product. It is tracking their engagement with you and assigning points to these interactions.

Implicit information is behavioral data, or digital body language, that shows a prospect's interest in your company/product. It is tracking their engagement with you and assigning points to these interactions.

Sample Implicit Data

- Frequency of interactions
- Web activity
- Links clicked
- Email engagement
- Subscription
- Downloads
- Webinar registration/attendance
- Trials/demo requests
- Social media engagement

It should be noted that when scoring activity, more points should be given to completion of an action. For example, a lead gets points for signing up for a webinar; however, they receive more points for actually *watching* the webinar.

Once criteria are set, sales and marketing must agree which combination of explicit and implicit data points to score, and which method to use (more on methods later).

Once they have decided qualifications to follow, a score threshold of what constitutes an MQL is agreed on. For example, if the maximum number of points that can be accrued is 100, you may set the threshold at 80 points. Therefore, when a lead accumulates 80 points they are passed onto sales.

To have success, sales and marketing, together, must map out and reach consensus on the rules, actions and responsibilities of the lead qualification process. The team will determine and agree on when a lead is passed to the CRM, what action sales will take with the MQL (call within xx amount of time, etc.), and how warm and cold leads are routed to lead nurturing process.

Negative Scoring

While setting up your criteria to score, it is also a good practice to include negative scoring. This will adjust your lead score based on factors that might make it less desirable. Negative attributes can be implicit and/or explicit, and by using negative scoring for certain criteria, you get a more accurate picture of where a prospect is in the buying cycle.

Sample Negative Scoring	
Company Size	-10
Wrong Industry	-15
Email Unsubscribe	-20
Visit Career Page	– 10
No activity for a long time	– 5

Remember

73% of B2B leads are not sales ready

(MarketingSherpa)

Technology

Implementing lead scoring without technology would be an intimidating exercise, luckily, businesses of all sizes can benefit. By using a CRM or marketing automation platform (MAP) that integrates with your CRM, the scoring, lead handoff, and feedback are automatic. Not only does technology enable a more efficient lead scoring process by removing the margin for human error, it saves valuable resource time.

Technology, however, does come with a price. While the benefits far outweigh the costs, it is an important all the aspects that affect budgets. There are, however, marketing automation platforms for every size of company and budget. Some companies also use outside contractors to manage their marketing automation. While this can be effective if a team is short handed, it will need to be addressed when developing and approving budgets.

When researching and evaluating MAPs, always begin with a clear prioritization of which features are vital to your program.

Here is a short list of features to consider when looking for the right MAP for your organization:

- ☑ CRM Integration & data sync
- ☑ Email campaigns
- ☑ Drip marketing
- ☑ Lead nurturing
- ☑ Rule based content publishing
- ☑ Contact management
- ☑ Lead scoring
- ☑ Prospect behavior tracking
- ☑ Analytics
- ☑ Business intelligence
- ☑ Scalable - simple to complex

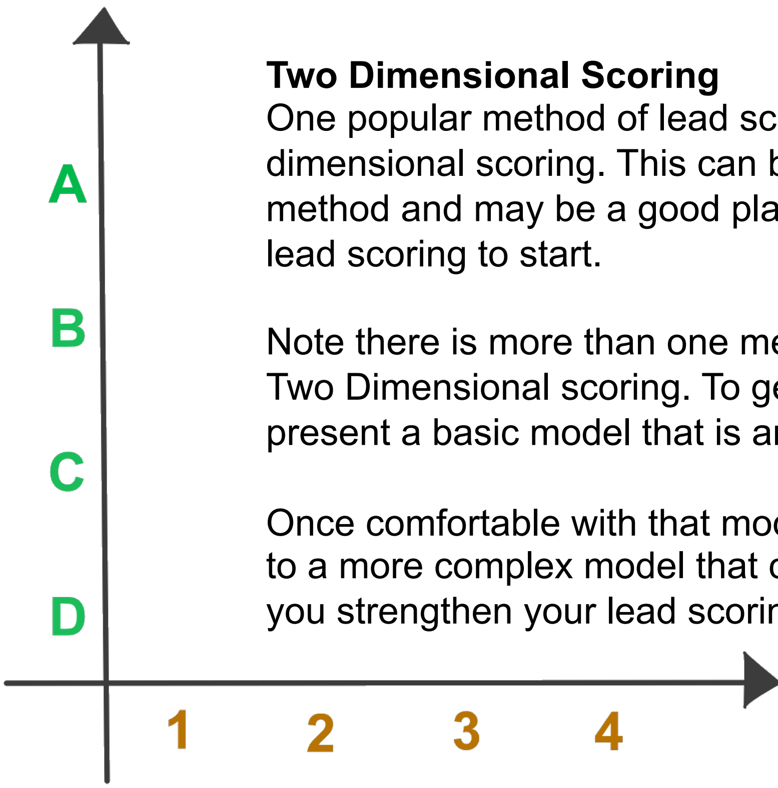
Keep in mind; the more advanced your lead scoring model the higher the potential cost to set up and maintain.

Get Your Ducks in a Row

A study by Sirius Decisions showed companies that adopted MAP with no processes in place had a poor ROI, while companies that had people, processes and technology in place achieved higher ROI.

Models

All lead scoring takes into account implicit and explicit actions. Methods range from simple Cold/Warm/Hot to complicated numeric value scoring models. Here, we will look at two of the more widely used methods.



Two Dimensional Scoring

One popular method of lead scoring is using two dimensional scoring. This can be a simple scoring method and may be a good place for those newer to lead scoring to start.

Note there is more than one method to rate criteria in Two Dimensional scoring. To get you started, we will present a basic model that is an ideal starting point.

Once comfortable with that model, you can move on to a more complex model that can be adjusted as you strengthen your lead scoring skills.

Example One

Using a more basic model, start by choosing key implicit (demographic) and explicit (engagement) information to rank your prospects and determine level of fit. Assign points to these attributes and determine the highest point value achievable. For example, the model below has a total point value of 50.

Demographic Fit			Engagement Fit	
Job title	5		Web page visit	5
Industry	7		Clicking on email link	8
Interest/need	13		Watch demo	12
Timeline	10		Download content	10
Budget	15		Submits contact us request form	15
TOTAL	50			50

Determine each categories threshold to be a High, Medium, or Low profile fit. This example uses:

High	=	40-50
Medium	=	20-39
Low	=	0-19

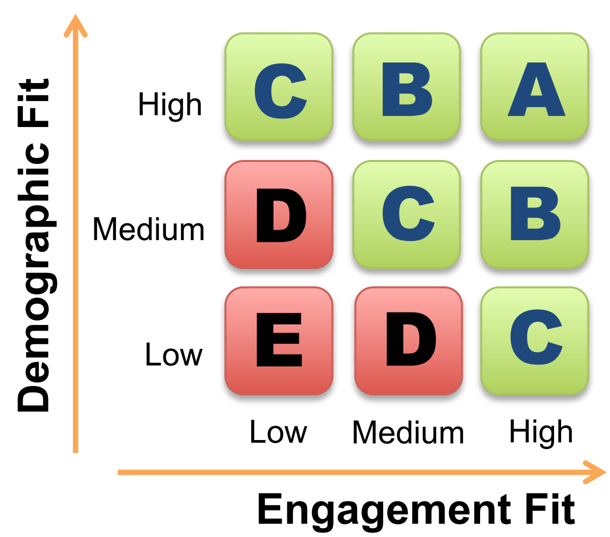
Once attribute hierarchy is established, determine each prospects total in both categories. That number is used to determine if they are a high, medium or low level fit.

Note: developing these thresholds is often done in collaboration with the sales team and a recommended practice.

Plot the results on a chart based on the combination of explicit and implicit criteria scoring.

The chart below shows A, B, and C are marketing qualified leads. These were High and Medium-High results.

Medium-Low and Low results, D and E, remain in the funnel for further nurturing.



Example Two
For the second two dimensional scoring example, we are using a slightly more complex model based on a 100-point scale.

Again, start with explicit data and choose the criteria important to what you are looking for in a prospect. Next, rank the criteria, in relation to each other, on importance to your campaign. They should add up to 100.

Next, assign a letter, A-D on how much a lead meets all the criteria. The letter A represents the best fit, while D is not a good match.

For example

You set criteria importance as:

Job Title	20%
Industry	10%
Interest/Need	30%
Timeline	20%
Budget	20%
	100%

Then determine Fits Profile Criteria:

More than 70%	A
51% - 70%	B
25% - 50%	C
Less than 25%	D

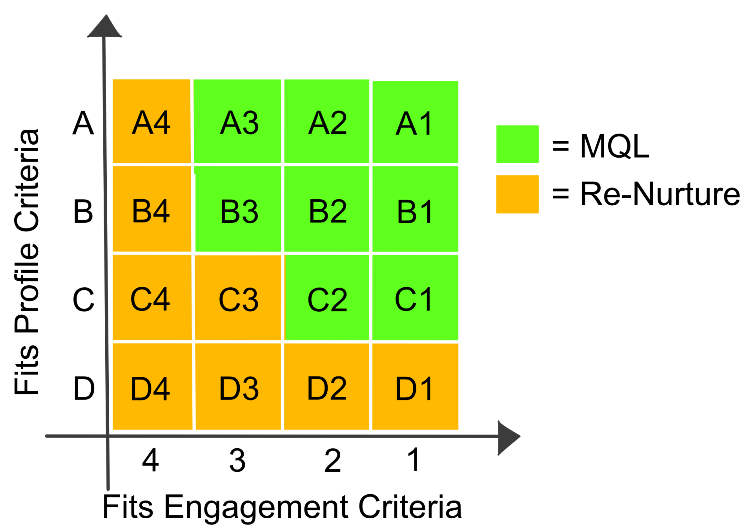
To rate engagement, provide point values to each implicit category based on importance to your campaign. The total points should add up to 100. Determine the threshold percentage of levels of engagement to qualify as an MQL. Highest level of engagement receives a score of 1, while the lowest level receives a 4.

Fits Engagement Criteria:

More than 75 points	1
51 – 74 points	2
20 – 50 points	3
Less than 20 points	4

To decide which leads are sales ready, plot the results on a chart based on the combination of explicit and implicit criteria scoring.

Leads denoted by A1 will not only fit your buyer profile almost perfectly, they show a high level of engagement (most qualified lead). On the flip side, leads scoring D4 are not a profile match and have no interest (least qualified lead).



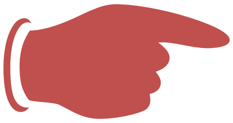
As a team, sales and marketing will determine which leads are passed on to sales while the rest of the leads continue in the lead nurturing program. It is a good practice to set a definition and next action for each square, including a real-time alert of prospects scores for sales.

This will provide clear direction to the team of what actions occur at specific stages.

Numeric Value Scoring
In addition to Two Dimensional Scoring, numeric value scoring is also commonly used in lead scoring. While 100-point systems are widely used, numeric scoring can also be adapted to other scales, for instance, 50-point maximum, depending on your preferences for scoring. For this example, we will use a scale of 100 maximum points.

To start, outline the demographic and engagement criteria you would like to rate. Remember to include negative scoring attributes. Next assign the highest possible value for that attribute.

According to the model below, a lead with a minimum score of +75 will be passed on to sales. Remaining leads will continue in lead nurturing.



Make sure to include real-time sales alerts with a prospect's lead score again this helps sales be more effective

Note: theses are samples of scoring methods and not a definitive scoring model. Your lists will be based on your company and specific criteria.

Lead Scoring Rules

Demographic/ Explicit Data	
Title	6
Industry	7
Purchase Authority	10
Budget	9
Company Revenue	5
Location	4
Engagement/Implicit Data	
Web page visit	2
Open an email	4
Clicking on email link	8
Watch demo	10
Watch video	6
Download content	9
Submits contact us form	20
Total	**100**
Negative Attributes	
Unsubscribes	-50
Student	-15
Visited career page	-10
Web inactivity	-5
MQLs	Any lead with a minimum score of **+75** gets tagged as Marketing Qualified Lead (MQL)

Review and Adjust

Lead scoring is a dynamic process and requires regular monitoring and adjustments. Once leads are moving, evaluate conversion rates and quality of leads. Your lead scoring program will need regular updating for new products, market conditions, changing trends, etc.

Do not be discouraged; chances are **you will not get it right the first time out.** Lead scoring takes time to refine and the marketing and sales team should plan to meet to evaluate scoring methodology at least once a month. Review and update scores to make sure sales is passed the most qualified leads and nurturing is moving leads down the funnel.

Summary

With lead scoring, you can identify a prospect that fits your target customer profile, determine their level of interest, and use that information to drive more relevant engagement.

When executed successfully, lead scoring forms the foundation of any successful lead generation program. It not only enables sales to be more efficient, but helps marketing target campaigns more precisely to desired prospects, increasing their efficiency as well.

By creating internal efficiencies and optimizing your lead flow through the sales funnel with lead scoring, you ultimately increase revenue by focusing on those ready to purchase.

Is Your Lead Scoring Program as Effective as It Should Be?

If you would like more information or would like to find out how to have a successful program, our experts would love to talk with you.

+1 866 991 7227

support@makesbridge.com

CLICK HERE FOR A FREE CONSULTATION

makesbridge™