

## Choosing a Lead Generation Company

Sales leads are the lifeblood of new business development for B2B companies. All businesses require a steady and consistent stream of business leads. The most popular options are outsourcing the lead development process to lead generation companies, developing a lead generation department within the organization, or requiring sales staff to develop and qualify their own business leads.

The two “in-house” options can create their own headaches because lead generation lies outside of the core competencies of most organizations. This is why outsourcing your lead generation to lead generation companies might make the most sense for your team.

To help you understand the lead generation industry and the types of lead generation services available, this article will help outline the two main types of lead generation companies and give you pointers to decide which one is right for your business needs.

There are two main types of lead generation companies:

- Major account lead generation companies
- Small sale lead generation companies

Major account lead generation companies target clients who sell “complex” B2B products or services. The target audiences used to generate business leads include upper management, VPs, and C-level contacts – the high-level “decision makers” in an organization. The sales cycle on these business leads are typically long and require multiple sales calls over several weeks and months. The style of selling is professional, “solution-oriented”, and usually focused on return on investment (ROI) and the potential value to the customer’s business.

This target market purchases higher-priced items than the accounts served by the “small sale” lead generation companies, and the value of these major account B2B sales leads is significant.



For example: Imagine that your company sells software solutions to large companies. Your major account lead generation company develops a lead for you with ABC Power Services, Inc. which is a multi-million dollar company creating nuclear power plants worldwide. With the lead in hand, your sales staff contacts the VP of Operations at ABC Inc. to discuss your software, which is designed to help them operate more efficiently. You pitch your software in your first meeting. You set up presentations for IT, Operations and the Financial department (who will ultimately be footing the bill!), and for the other executives and upper management whose jobs are impacted by this software. Your pre-development team meets with IT for in depth discussions on the ease of implementation.

Finally, after 4-5 months of presentations, you close the deal for \$175,000. Keep in mind that your sales cycle may be longer or shorter and your average sale may be larger or smaller, but the fundamental sales workflow should be similar.

Small sale lead generation companies target smaller purchases, typically under \$10,000. The target audience is still B2B but your sales cycle is much shorter. In fact since the dollar figure is lower there could be little or no sales cycle at all because this type of “commodity” purchase requires an easier “yes” or “no” style of decision-making. Often your level of contact can make the buying decision because your product or service is not impacting multiple departments.

For example: You are selling electronic white boards for conference rooms and the purchase price is typically \$4.995. Your competitors include CompUSA and Staples, so your customers are usually small business targets. You contact a small sale lead generation company to develop sales leads for you. They generate several business leads from the small business sector, including XYZ Company. XYZ Co. is a sole proprietorship owned and operated by Mike Smith and he provides financial services to his clients. You call him and tell him that you carry both Epson and Panasonic products. You walk him through the



specs on each model and offer standard discounts and installation packages. He likes what he hears and gives you his Amex Card and the whole process from “developing business leads” to “closing the sale” takes 1-2 days.

There is a very short cycle here because Mike is not relying on you for any long term services. If he needs service on his white board he will be calling the manufacturer. The risk factors for Mike in this sale are low and that means the sales process is quick and uncomplicated.

Most lead generation companies in the marketplace specialize in small sale lead generation. This is because the major account lead generation model is a complex “process” that goes beyond merely making phone calls. The longer-term process of qualifying and managing B2B sales leads requires multiple marketing touches with your decision makers and thus is more complex to implement and operate.

If you’re a B2B company with a more sophisticated process for handling your sales leads, you might need the higher level of expertise, precision and support that you can get from a B2B major account lead generation companies.

Here are a few key characteristics to look for when comparing major account lead generation companies:

- 1) Time-tested staff with 5 + years of sales experience (no “newbies”).
- 2) Program management team with 10+ years of experience in managing sales leads from start to finish. The company’s expertise should include every step of the sales cycle, including lead generation, qualifying business leads, appointment setting, and closing the sale.
- 3) Full array of calling center technology including collaborative client dashboards, electronic scripting and advanced data management to evaluate every step of the process in qualifying, sorting and managing sales leads.



4) A structured multi-step lead generation process built on a platform that includes multiple marketing touches with each decision maker, making it easier to keep track of long-range sales leads and prevent business leads from falling through the cracks.

Before choosing a lead generation company, you should also do some research and interview a few different lead generation companies to see which one is the best fit for your needs. Find out which company is the best fit with your company's culture, target market and overall sales style. Every lead generation company needs to serve as a seamless extension of your organization – with all the professionalism, competence and customer service savvy that you would expect from your own in-house sales force.

