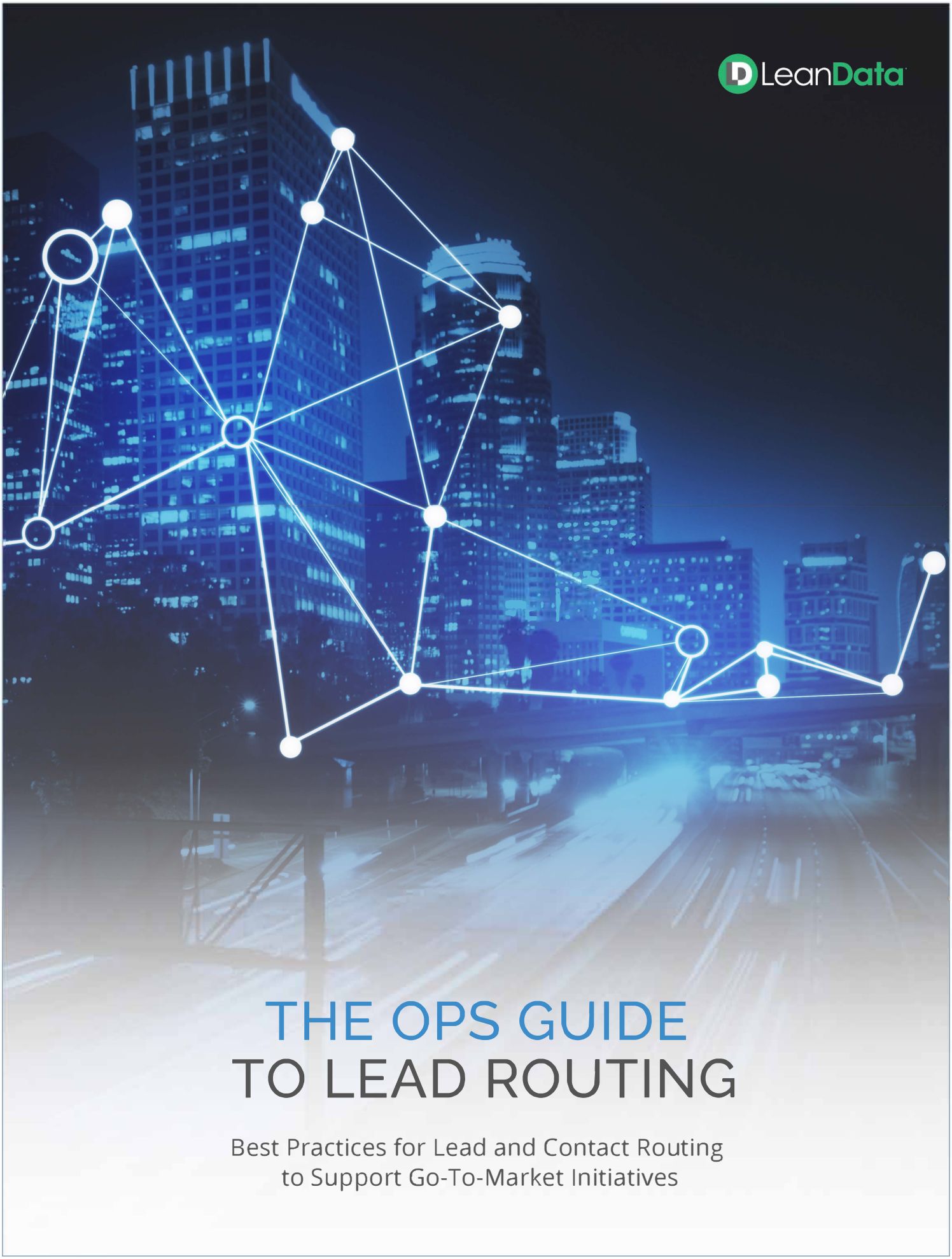


THE OPS GUIDE TO LEAD ROUTING

Best Practices for Lead and Contact Routing
to Support Go-To-Market Initiatives

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TOP FIVE TAKEAWAYS

1. The modern B2B funnel has more sales and marketing interactions and this leads to friction.

2. A major cause of this friction occurs when leads are not getting to the right person in an organization. Companies need a "Demand Management" strategy and process in place that ensures their demand –leads and contacts – are routed to the most appropriate owner.

3. All routing processes are not the same. Every company's Go-To-Market strategy is unique. This means different companies have different demand management needs based on their Demand-Gen focus *(such as Inbound versus Outbound)* and sales process *(transactional versus complex)*.

4. At most companies, Operations oversees demand management in close collaboration with the sales and marketing teams.

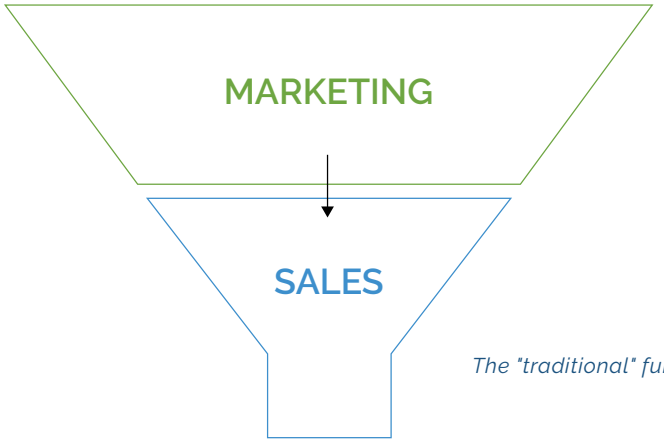
5. When demand management is optimized, it can improve sales productivity and also give prospects a great buying experience.

THE TRADITIONAL FUNNEL & THE MODERN B2B FUNNEL

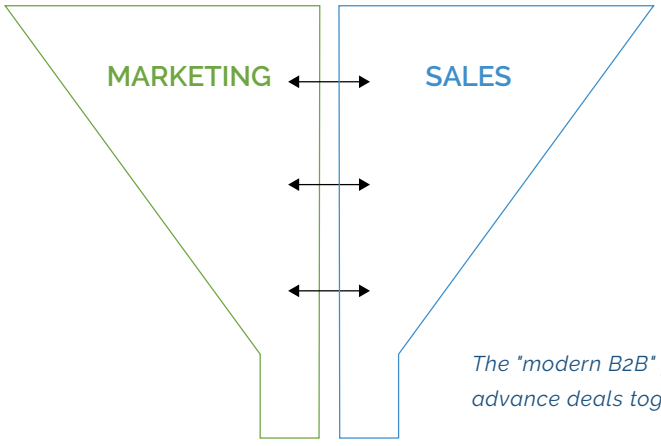
Once upon a time, the relationship between sales and marketing was pretty straightforward. The marketing team would generate leads for the organization and blindly "throw them over the fence" to the sales team. Reps would then work those leads to turn them into deals.

That way of creating business is long gone. It's just not a realistic way of thinking about the modern buyer's journey.

Today, the buyer's journey is much more complicated. There is no single handoff between marketing and sales. Modern B2B success is a coordination game because both sales and marketing continue to engage with prospects throughout the entire buyer's journey.



The "traditional" funnel - Single handoff

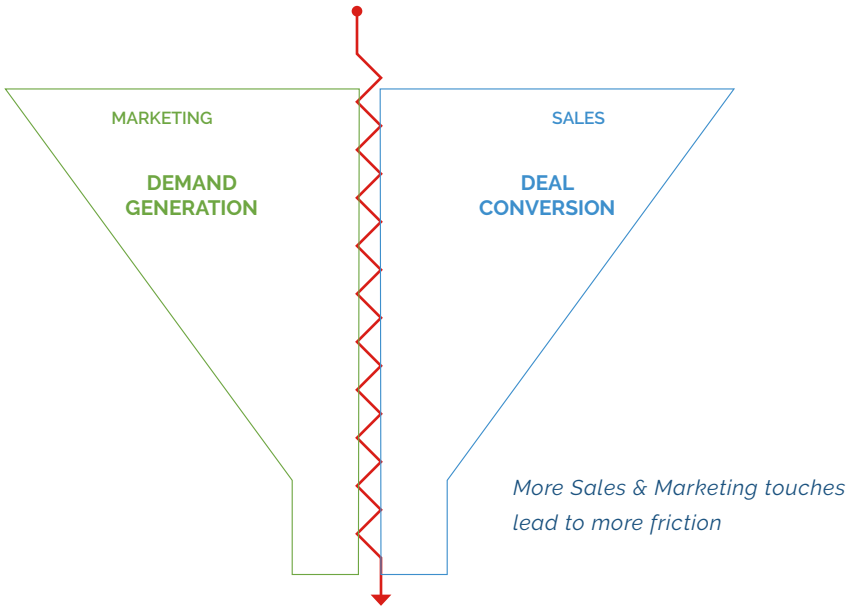


The "modern B2B" funnel - Sales & Marketing advance deals together

However, consider the following:

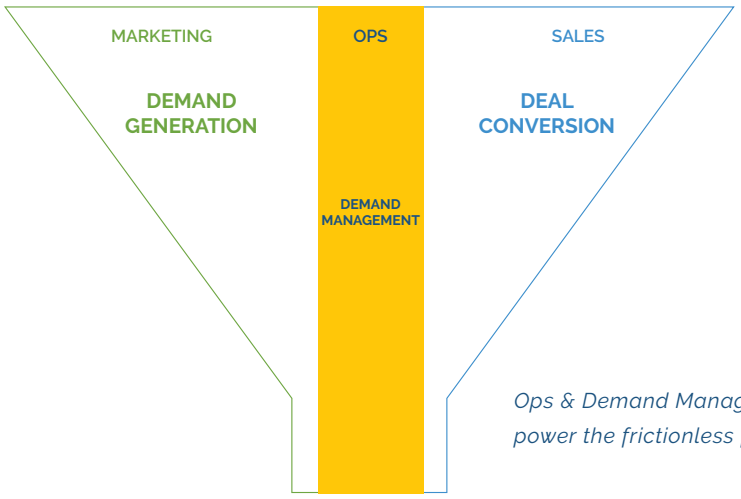
- Studies show 73% of leads aren't sales-ready when they enter your funnel, This suggests that marketing needs to continue educating prospects throughout the entire funnel. This results in more touches from both the sales and marketing sides.
- A Data & Marketing Association report said anywhere between 7-20 touches are required just to secure a qualified lead. So, the number of sales and marketing touches between lead generation and deal closing are even higher in number.
- It's not enough to just land and follow up with one lead. To close a new customer, you now need on average 7 sign-offs which means most B2B deals are a committee-based decision. When dealing with so many touches across multiple personas, you cannot afford to miss any buying signals.

All this leads to a more complex funnel. That increases the likelihood of greater misalignment in the process. Sales and Marketing both work hard. But they also have different success metrics and live in different data systems *(CRM and marketing automation)*. Since they tend to operate in silos, Go-To-Market strategies are doomed to fail without real cooperation. Or at the very least, they will be far less effective. This misalignment results in friction that leads to lower sales productivity and poor buying experiences.



THE B2B FUNNEL NEEDS "DEMAND MANAGEMENT"

True alignment between demand generation and deal closing is possible. But for that to occur, businesses need to create a process that fits in between them to facilitate the Go-To-Market strategy by optimizing the transfer of "demand" between the two teams. This creates greater alignment throughout the sales process and leads to what we call a **"frictionless" funnel**. A frictionless funnel is an intelligent process that ensures the right lead or contact *always* reaches the person who can best act upon it.

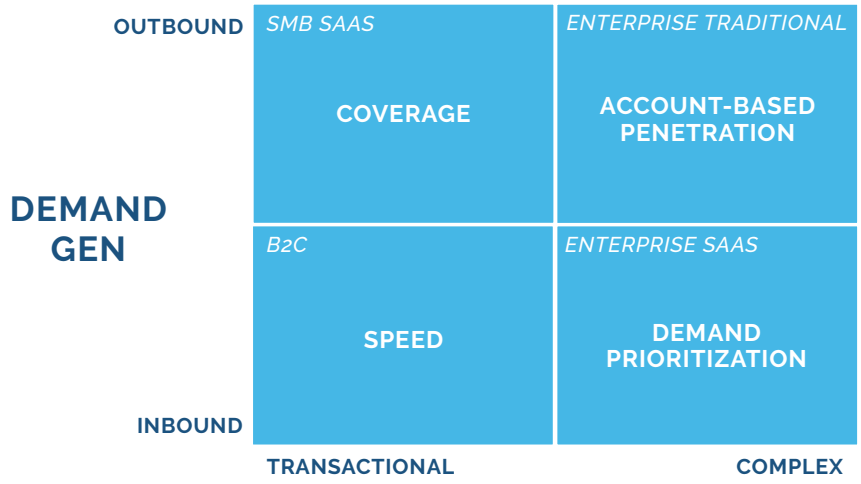


Ops & Demand Management power the frictionless funnel

Imagine if you have a target account and all of its leads get assigned to the AE or the ADR supporting the account. Or if a sales rep has an open opportunity with a company, they automatically get all new leads from that company. This should happen without exceptions and in real-time. Imagine the power of that. This is what we call "Demand Management." It ensures that leads and contacts are best leveraged to close deals faster. This also helps marketing assess the effectiveness of their Demand Gen efforts based on real data.

SO WHAT'S YOUR DEMAND MANAGEMENT STRATEGY?

In our experience, companies with different strategies for **generating demand** also require different strategies for **managing that demand**.



B2C businesses depend on inbound Demand Gen and have transactional sales processes. For them, the most important demand management strategy is enabling fast response to customer inquiries.

B2B companies that are more SMB-focused tend to be in a competitive space. So they depend on outbound lead generation and typically organize sales by territories. They need territory-based demand management capabilities that ensure coverage.

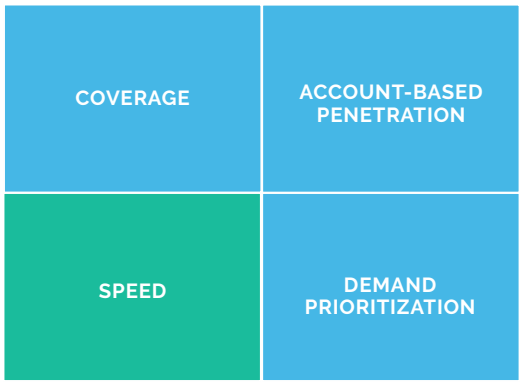
In the case of enterprise SaaS businesses, marketing teams are using inbound marketing to generate a high volume of leads. This means the sales team faces the challenge of sifting through an incredible amount of leads to identify the best ones that need to be engaged the quickest. Here, the demand management strategy should be about prioritizing incoming demand and improving sales productivity.

More traditional enterprise businesses have a smaller target audience and hence adopt an account-based sales and marketing strategy. Sales reps believe that they don't get good leads from their target accounts. Marketing complains that sales isn't following up hard enough on solid leads. More than anywhere else, the demand management strategy should be focused on penetrating target accounts.

In the next section, we dig deeper into these demand management strategies and the best practices companies need to adopt for each scenario.

BEST PRACTICES IN DEMAND MANAGEMENT: ROUND-ROBIN

Round-robin assignment is probably the first kind of demand management strategy that every company deploys. It's a simple method to distribute leads equally among a team of sales reps. However, robust round-robin systems must have the flexibility to deal with complex scenarios:



- **Vacation Flagging:** One of the team members is unavailable for a day, or say a week or even a few weeks. How do you ensure that leads do not get assigned to that rep during his or her absence? Companies need a method to temporarily skip them from the round robin to ensure all leads continue to be distributed to those who can respond immediately.

- **Weighted Round Robin:** Another common scenario can be when a new team member needs time to ramp up to the level of other team members. In this period, it's important that you assign them fewer leads compared to others, so they have some time to hone their skills before they jump headlong into the process.

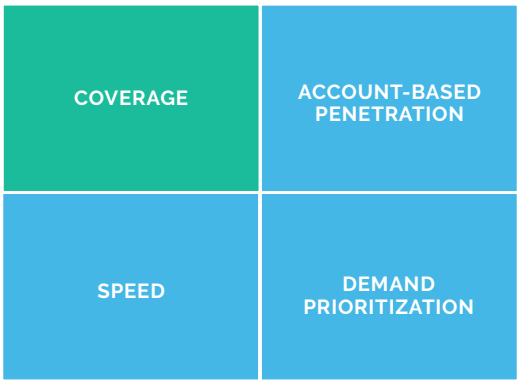
- **Monitor and Re-assign Leads:** Also when someone leaves the team, pulling them out of a round-robin group is a standard part of the exit process. But the more manual aspect is the re-assignment of all leads that they were working on. Automating re-assignment of leads from inactive owners is an important best practice that ensures prospects do not experience a gap in communication from the company.

ANALYTICS BEST PRACTICE

Round-robins ensure everyone receives an equal share of leads. So it's important to track the **percentage of conversions per lead assigned** for each team member. This is an excellent metric to assess performance. It clearly identifies reps who are operating below average and need additional training or sales enablement.

BEST PRACTICES IN DEMAND MANAGEMENT: TERRITORY-BASED DISTRIBUTION

Territory assignments are crucial for customers who have a wide range of coverage needs in terms of geography, industries or other factors such as the number of employees or revenue tiers. As a result, it's important that businesses structure their Salesforce data and sales teams the same way they structure sales territories. Studies show that territory-based sales strategies tend to increase productivity. Some best practices in territory-based assignment include:



- **Territory Identification:** When implementing territories for the first time, leverage existing data to identify territories that create internal consensus. If this is not done, you're likely to find that reps complain about not getting enough demand for their territory.

- **Boundary Definitions:** When defining territories, boundary definitions are all the more important so different territories don't start stepping on each other's toes causing intra-team disputes. Clearly defined territories – right at the beginning – can prevent that from happening. Build a clear mathematical equation or automate logical rules for territory definition in order to take the guesswork or bias out of the system.

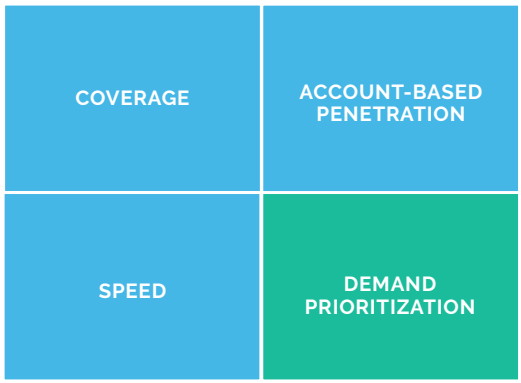
- **Prioritize Accounts:** Named accounts and paying customers should always precede a territory-based rule. Let's say a lead belongs to the New York region as well as a West-Coast account. It makes sense for the Account Manager to follow up with the lead instead of a NY-based SDR. The former will always have more context to follow up with the lead.

ANALYTICS BEST PRACTICE

It's important that all territory teams have enough demand to meet their targets. As a result, the **total number of leads and contacts directed to each territory** is a key metric to track real time. This also helps the sales team re-distribute its team members to territories with higher demand.

BEST PRACTICES IN DEMAND MANAGEMENT: DEMAND PRIORITIZATION

In scenarios with high Demand-Gen volumes, the goal of demand management is surfacing the highest-value, most-engaged prospects that have the highest probability for conversions. In these scenarios, companies need to implement some of the following best practices:



- **Merge Duplicates:** The first step towards demand prioritization is to test all marketing leads and contacts for duplicates. Maintaining the sanctity of your Salesforce data and ensuring no records are compromised is crucial. This will help make sure that sales is aware of all activities involving their leads, contacts and accounts.

- **Lead and Account Scoring:** Filtering out low value or irrelevant leads boosts team productivity. The recommended best practice is to involve both sales and marketing signals to determine a lead score. At most companies, lead or account scoring logic is driven by Operations team with input from both Sales and Marketing.

- **Route by Account:** Send leads from an existing account to the account rep or the account team. Alternately, if account reps have a high volume already, you might consider sending leads to an SDR queue unless an open opportunity exists for that account.

- **Route by Status:** Also, when you are nurturing a large volume of leads, it's important that you create different lead assignment rules for different statuses. One example is when a lead is qualified or re-engages on a specific channel.

- **Match Leads with Leads:** Group together leads from the same company and ensure that all leads are assigned to the same SDR or account owner.

- **Round Robins:** Use round-robin groups to deal with the cold leads that are early in the sales cycle.

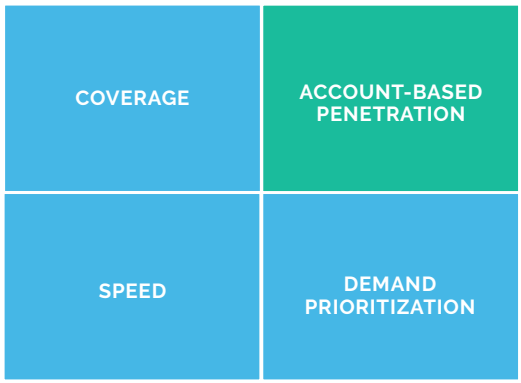


ANALYTICS BEST PRACTICE

In a prioritization demand management strategy, it's important to track how many of your leads are high-priority. Companies should track what **percentage of their leads are "Tier 1"** or have a score greater than a value, say 50. Using this metric you can determine if your demand generation strategy needs to be optimized for better lead quality.

BEST PRACTICES IN DEMAND MANAGEMENT: ACCOUNT-BASED PENETRATION

When account–based marketing and sales is your main revenue generating channel, it's important that any signal emanating from target accounts is properly surfaced and addressed as a priority. The demand management best practices recommended for such companies include:



- **Analyze Marketing Lists:** Test all your new marketing leads to see how many already have matching accounts, opportunities or contacts. If leads belong to companies that are in any of these advanced stages of qualification, you can assign them to the proper account rep. If you have a sales pod, you should be able to automatically assign these leads to the ADR who works on the account with the rep.

- **Update Target Lists:** If there are a large number of leads from a company that is not on your target account list, it makes sense to assess if it should belong there.

- **Target Account-Based Routing:** Deliver leads that belong to target accounts to the right sales rep at the earliest. Several companies also automatically convert any lead from a target account into a contact.

- **Notify Sales:** Set up automated notifications so sales is always aware of all the latest touches and new leads or contacts from their target accounts.

- **Account-level Views and Personas:** Since the target account list is already defined, every account owner should have a 360-degree view of all objects related to their accounts – including leads. They should then match existing leads and contacts with buyer, user, and influencer personas. This shows which personas you are not engaging and helps target them to accelerate the deal.

- **Engagement Scoring:** Deploy account-level engagement scoring logic to surface the most engaged and valuable accounts.
- **Marketing ROI:** Leverage attribution to build pipeline by identifying which marketing campaigns help engage target accounts the most.



ANALYTICS BEST PRACTICE

Since you begin with a target account list, it's important to understand your penetration and level of engagement within these target accounts. Metrics like **average number of leads and contacts per target account, persona and account-level engagement score** are important signals to use in account-based scenarios.

FINAL WORD

Demand Management is a process that takes planning and focus to implement – especially for large sales and marketing teams. Ops teams across leading companies now acknowledge the need to optimize Demand Gen as well as Deal Conversion processes to ensure minimal friction in the funnel. Results of perfecting your demand management process include:

- Valuable leads are never lost or delayed in your database
- Leads and contacts are always routed to the most relevant person in the team
- Leads are assigned in real-time, reducing response time, providing a good customer experience and shortening the sales cycle
- Account reps are always aware of any new leads or contacts entering the CRM associated with their accounts
- Ops leverages metrics and insights into lead flows to improve the lead distribution logic
- Higher Marketing ROI because sales derives more value from the same demand generated via marketing campaigns

YOUR DEMAND DEMANDS MORE

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