

More than 70% of Sales Revenues Could be Lost to Poor Lead Management

How much sales revenue are you losing to poor lead management? This research study from SmartLead by AdTrack shows that even companies with strong lead management practices and systems still lose between 61% and 72% of sales to competitors. Companies lacking a well-executed lead management program are in danger of losing far more. What percentage of your sales is lost to competitors?

The results of a research study from the AdTrack Corporation answer this question.

During a recession, companies need to ensure that no opportunities are lost. Every qualified lead needs to be properly managed; otherwise a lot of money is left on the table. Implementing a well-designed lead management program is the best way to make sure that there are no leaks in the pipeline.

Data from the two real-world case studies are an eye-opener. The data shows marketers and sales managers what happens if leads aren't properly qualified, ranked, tracked, nurtured and pursued.

The two companies featured in this case study employ lead management and sales follow-up best practices to ensure that they obtain optimum revenue from their lead generation efforts. This begs the question, "How much money is lost by companies that don't have a strong lead management program."

Research Results

Company One: Home Relaxation Products

Company One produces home relaxation products that are sold through a large network of distributors.

AdTrack's Contact Center conducted a phone survey with 739 people that inquired about the company's products during the previous 90 days to see if they bought a product, and if so, from which company did they buy. Here's what they found:

- Ninety (12.2%) of the 739 people purchased a product.
- Of the 90 people who made a purchase 25 (27.8% of the 90) purchased the company's product. This is an admirable 3.38% conversion rate of the original 739 inquirers.
- But 65 bought products from competitors. 72.2% of the 90 bought from competitors.
- The company's product sells for between \$5,000 to more than \$10,000. If the average price of the product is \$8,000, the company left more than \$520,000 on the table from the 65 inquirers who bought a competitor's product.

Case Study

Company Two: Home Construction Product

Company Two produces products that are used in home construction and home improvement. The average sale for their products is \$5,500.

AdTrack's Contact Center conducted a phone survey with 491 people that inquired about the company's products during the previous 90 days to see if they bought a product.

- 138 of 491 purchased a product (28.1% of inquirers).
- Of the 138 that bought a product, 53 purchased from Company Two, an impressive conversion rate of 10.79%.
- 85 people bought from a competitor. 61.6% of the 138 bought from competitors.
- With an average sale price of \$5,500 and 85 people buying from competitors, Company Two had \$467,500 in potentially lost sales.

How much revenue is lost without strong lead management programs?

Each of the companies in this case study employs our SmartLead lead management best practices that include:

- Immediate response to an inquiry through e-fulfillment or hard copy literature.
- Direct mail offers from local dealers.
- Nurturing through continued contact with an inquirer to develop them into a hot lead.
- Immediate distribution of hot leads to dealers.
- Dealer sales teams that quickly follow-up on hot leads.

In these tough times, what is your company doing to ensure that every inquiry generated is nurtured, tracked and pursued to produce maximum revenue and increase ROI?

About SmartLead and AdTrack

Since 1981, companies have relied on SmartLead's customized lead management systems and best practices to smoothly and seamlessly manage leads from the moment the leads are generated, through qualification, ranking, nurturing and distribution to sales people or channel partners.

SmartLead is the only full-service lead management company with:

- Dedicated account managers to advise clients on best practices and implement their programs
- Web-based lead management, sales force automation systems
- Insightful analytics system
- In-house marketing services: contact center, direct mail, email, printing, web hosting, and fulfillment/warehouse.

▶ **Pioneer in Lead Management** ▶ **Unequaled Expertise**
▶ **Comprehensive In-House Services**

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