



A GUIDE TO LEAD GENERATION FOR SaaS COMPANIES



INTRODUCTION

SaaS companies are, almost by definition, designed to be experts at lead generation as a significant part of their business – especially in the early days, comes from people finding the site, reading the information and then deciding to sign up.

However, it is all too easy to rely on this and become complacent about having lead generation sorted, leaving time to focus on building out the service and developing the business model.

The normal rules of B2B purchasing will still apply at some point and you will find yourself needing to engage in these, if you are to continue to grow the business.

SaaS companies (especially in the early days and those offering niche, relatively low cost solutions) tend to be leaner and more agile organisations than traditional software companies were.

Freed from the need to have a physical presence in each market, a complex support operation, field engineers & consultants and full blown manufacturing & logistics operations, SaaS companies can set up at a fraction of the cost, charge lower prices and really focus on building the platform.

One downside of this, is that the sales & marketing infrastructure tends not to be in place for traditional lead generation activities, so they can easily be overlooked.

LEAD GENERATION ESSENTIALS

Talk to the Customer

There is still a need to talk to the prospect. For initial contact this may be time consuming, but if you can engage them in a conversation you may find out information that could result in different or future business. Obviously the need for this will increase with the cost of the solution so while important, it is up to you to see how best to use tele-prospecting.

Statistics continually show that it is harder to cold call someone. In 2007 it took an average of 3.68 cold call attempts to reach a prospect and in the space of 5 years or so, this increased to 8 attempts (Source: Telenet and Ovation Sales Group). With people getting busier and more experienced gatekeeping practices being deployed, this figure can only increase.

However, you will get better results if you warm up the contact first before they are called.

Social Media

Social Media in all its forms has three crucial roles in SaaS lead generation.

- ▶ As a vehicle for demonstrating your knowledge and credentials in the area.
- ▶ Drive traffic to your website by sharing content aimed at identifying, and potentially solving, customer problems (70% of people make purchasing decisions to solve problems – source: Impact Communications)
- ▶ Make contacts with people to give you a reason for calling or emailing them – this helps turn a cold call into a warm call.

While many B2B salespeople remain to be convinced on the value of social media with as little as 5% of B2B sales teams considering Social Media a successful lead generation method (source: Ken Krogue), the results are overwhelmingly positive.

According to Vorsight, you are 70% more likely to get an appointment on an unexpected sale if you belong to LinkedIn groups. Social Media is an important part of the SaaS Lead Gen toolkit.

Nurturing

In the one-off transactional mind set of many SaaS providers, it is easy to forget that not everyone is ready to buy from you when you are ready to sell! Vorsight has discovered that only 3% of your potential market are actively buying and 56% are not ready. The remaining 40% are just thinking about starting.

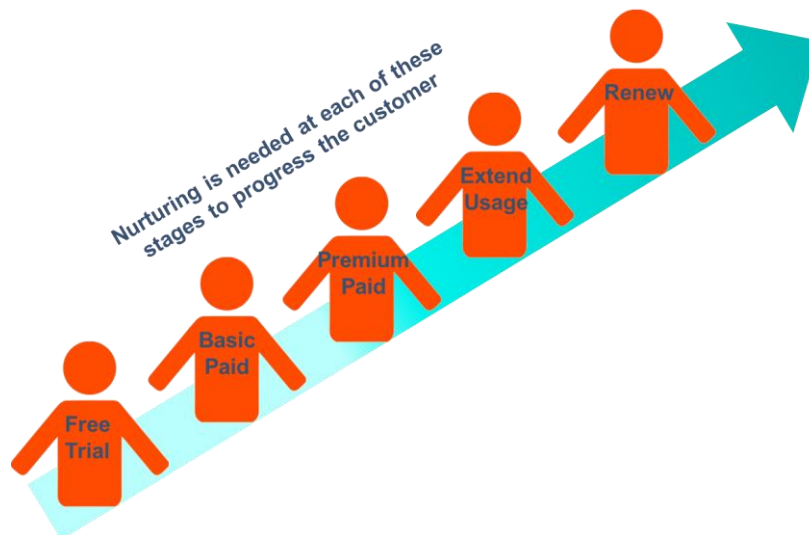
MarketingSherpa claim that 65% of B2B companies have not established any lead nurturing process, but there is a lot of evidence to show how important this is for lead generation. DemandGen Report has calculated that nurtured leads deliver on average a 20% increase in sales opportunities and The Annuitas Group claim that nurtured leads make 47% larger purchases.

Nurturing is all about keeping your name in front of those prospects to make sure when they are ready to buy, they think about you first. This is more than digging out previous opportunities that could not be closed, but delivering real business benefits. Forrester research has calculated that companies that nurture leads make 50% more sales at 33% less cost.

Once someone has shown some interest but is not ready to buy, they should immediately become part of your nurturing process:

- ▶ Connect via social media
- ▶ Invite them to interesting webinars and events
- ▶ Produce a schedule of content to ensure fresh content is regularly published
- ▶ Create content about issues of general interest to your prospects
- ▶ Supplement this with a few additional pieces that focus on problems your prospects could be facing with 'soft sell' content on how your solution can resolve this.

Nurturing should not stop when someone signs up, but should continue to ensure they stay customers and become as valuable as possible to you.



In an industry where it is easy for a customer to switch and where there are options for them to extend their investment with you, even existing customers should still have the same attention as prospects. They are always prospects for the next level of service.

Automation

Regular nurturing is time consuming so resource-limited organisations should invest in marketing automation technologies. These can range from simple to complex systems, and what is best will depend on your circumstances, but you need a solution that will at least:

- ▶ Allow you to automatically schedule automatic follow-up emails
- ▶ Handle all appropriate opt-in / opt-out requirements to meet email legislation
- ▶ Have an element of workflow that allows you to direct a message based on prospect behaviour (to ensure that material you send is appropriate to their stage in the buying process)
- ▶ Allow you to handle all social media interactions including scheduling regular posts
- ▶ Connect in some way with your CRM system so sales reps understand where a particular prospect is
- ▶ Have some basic lead scoring to allow you to quickly prioritise likely prospects. This can either be fully automated or involve some manual intervention to sanity check. This allows you to put a value to different elements of prospect interaction to identify buying behaviour.

Qualification

Qualification is at the heart of successful lead generation and ensures only real prospects get passed on to sales. If unsuitable leads are being passed on, eventually the sales department will ignore generated leads and potentially valuable future customers.

Coming from the marketing automation world, the phrases Marketing Qualified Leads (MQL), Sales Accepted Leads (SAL) and Sales Qualified Leads (SQL) are gaining traction. Once clear qualification criteria have been agreed and accepted by all sides, this is a very effective model that is at the heart of lead generation.

- ▶ **MQL** – this is a lead that Marketing (or a Lead Generation department) has decided meets the defined criteria. It could also be a lead that may fall short of the criteria, but has some other attributes that make it worthy of review by sales.
- ▶ **SAL** – Once Sales have reviewed the MQL and decided that it is worth further investigation it becomes a SAL. If it is not accepted, then it gets returned to the Marketing department – usually for further nurturing – unless it is deemed totally unsuitable.
- ▶ **SQL** – A Sales Qualified Lead is a SAL that has undergone further qualification and is now treated as a prospect. If a SAL fails this stage, it is returned back to the nurturing process.

While marketing automation makes this process manageable – especially if you are dealing with large volumes, this approach will work in non-automated environments as well. Even where automation is used, human intervention can add an extra level of flexibility and quality. It can also unearth leads that do not exactly fit pre-defined criteria. This is very difficult to achieve in a fully automated environment.

Maven TM – Funnel Wide Inside Sales for SaaS Companies

SaaS technology has completely reinvented the B2B software space and Maven TM has completely reinvented lead generation for this new era in corporate IT. By specialising in B2B technology generally, and SaaS in particular, we know what it takes to manage the full SaaS sales funnel.

Maven TM will develop an ongoing tailored lead generation programme. Using a mix of content and social marketing, supplemented with targeted telemarketing, we will generate a continual stream of qualified leads to supercharge your sales efforts.