WHY AREN'T MY LEADS CONVERTING?

Six Reasons Modern Sales & Marketing Teams Are Failing

Introduction

As the sales and marketing leaders converge for their weekly meeting ~~to painstakingly review the team's performance~~, you can sense the tension in the room. The **VP of sales** doesn't really feel like listening to the marketing team talk about all the *amazing* leads that were driven from the most recent campaign. She seems especially disinterested in the **"uptick of engagement"** that has been generated within target accounts. Those leads, in her mind, are a waste of time. Those leads — just like every other lead marketing has sent over — **won't convert.** In her mind, the sales team will be better off working their own leads.

As the marketing exec pulls up various dashboards on his laptop, he wonders how far he'll get into the meeting before his sales counterpart mentally checks out of the meeting. Despite driving an unprecedented level of activity (MQLs, SQLs, target account engagement) for the sales team this year, **sales are flat.**

If the sales team could convert only 10% more of those MQLs into first meetings, they'd be having a banner year. These leads — **according to the marketing team —** check all the boxes. Right person. Right company size. Right industry. Lead score suggests they're ready to buy.

Mercury *isn't* in retrograde. All the stars are aligned. **Why can't the sales team make hay with these leads?**

Let's give **Mr. Marketing Exec** the benefit of the doubt. Let's assume his team is constantly providing the sales team with leads that consist of the right person, in the right company, with a lead score that would suggest purchase intent. If all of that is true, yet leads still aren't converting into first meetings, then **what could be the culprit?** If the lead quality isn't the issue, what's causing all these leads to spoil? How can we sort out this whole mess and finally decide who's to blame for this decadeslong issue?

66% AFTER ALL, ACCORDING TO A REPORT PRODUCED BY SALESFORCE RESEARCH, OVER 60% OF SALES REPS WILL MISS THEIR QUOTAS THIS YEAR.

That's up 50% from 2010, and there's no reason to believe that trend will reverse course anytime soon, especially for companies selling workplace solutions to some pretty conservative buyers.

When diagnosing why leads aren't converting, it's easy to focus on the usual suspects. Lead quality. Lead source. Lead score. We're assuming you've been there, done that. Instead, we thought we'd take a look at some of the reasons that might not get as much air time but are equally, if not even more so, responsible for this conundrum. Remember, we're not here to point fingers — **we're here to help you convert.**

Reason No. 1: Inadequate Sales Follow-up

Sales and marketing pros love data. We love using data produced by the likes of Gartner or Forrester to bolster our arguments and all too often will latch on to the most recent trends. Potentially, to our detriment.

One trendy data point that has gained a ton of traction over the last five years is this notion that **buyers will take themselves 60% of the way through the buying process** before engaging with sales. That number varies, of course, depending on which analyst firm you ask. But regardless of whether it's 57% or 70%, the moment that little nugget was published, **the damage had been done.** The instant that data point was put in our heads, sales and marketing teams started to change the way we viewed and, unfortunately, the way we interacted with leads.

On one hand, it gave sales permission to dial back its outreach to inbound leads — especially if they hadn't achieved a specific lead score, which we'll dive into later. On the other hand, it sent a message to marketing that sales shouldn't reach out too soon or risk upsetting the prospect. Savvy marketers often refer to this as the **"don't fuck this one up"** methodology. But we digress.

In many instances, our teams have decided it would be better to let our **marketing automation solutions** and **lead scoring models** own the relationship with buyers.

Then, after putting white papers and case studies in front of prospects, giving them a chance to build up a lead score (that we artificially created), we are finally ready to turn those leads over to sales for follow-up.

IN OTHER WORDS, WE HAVE HUNGRY SALES PEOPLE SITTING AROUND THE DINNER TABLE, BUT INSTEAD OF SERVING UP THOSE FRESH LEADS, WE STICK THEM IN THE OVEN TO WARM 'EM UP A BIT.

And as sales professionals, we've bought into this concept hook, line, and sinker. We've started to believe that we don't have any value to provide until after the buyer has done all of their research or attained a certain lead score. But guess what. **By the time your buyer has reached this point,** they have already established an early vendor favorite.

And hopefully, it's you. Unseating an early favorite once they've been established in the minds of buyers is like trying to convince Jon Snow that winter is, in fact, not coming. *Ed. note: This would be incredibly difficult, if not impossible.*

So what's the byproduct of this? Sales reps don't properly follow up with leads, and sales organizations don't set a standard for what an effective sales follow-up cadence should be for inbound leads. Data suggests that this is an epidemic that plagues too many sales organizations.

4.5

Average no. of follow-up touches for inbound leads

12

Average no. of touches **required** for first meeting

According to a report published by *Harvard Business Review* and **InsideSales.com,** the average number of touches following an inbound lead is **4.5.** That same report suggests **12 touches** are actually required to set a first meeting, and recent research from **TOPO** offering up a similar number of 10 touches. Our own experience working with companies selling workplace solutions has allowed us to validate these numbers firsthand.

Take a breath. In this space, it does indeed take 10 to 12 touches to set a first meeting with an inbound lead. But as we've found, most sales organizations in this space fall well short of that number. Sales organizations should have a process in place that outlines what those 10 to 12 touches should look like and should have the ability to track whether sales reps are making the appropriate number of touches.

But it shouldn't stop there. That same process should call for touches to come by way of multiple channels, including email, phone, and LinkedIn. Most sales organizations rely on email and phone only, with a heavy emphasis on email. Of those 12 touches, we'd suggest that five should come from email, five should be made via phone, and two should come from LinkedIn.

5 Emails   5 Phone Calls   2 LinkedIn

We've found that a lot of sales professionals are steering away from using the phone as a way to connect. **Don't skimp on the phone.** This is a missing ingredient in many inbound follow-up cadences. There's just too much data out there to be ignored — integrating phone calls into your follow-up cadence increases the likelihood to set up a first meeting significantly. **Don't skimp on the phone.**

So if your sales organization is struggling to convert MQLs into first meetings, start by looking at the follow-up cadence. Are you waiting too long to send over leads because a lead hasn't achieved a specific lead score? Or, more important, are your reps creating enough touch points to put themselves in a position to connect with prospects? Are they leaning on email too heavily?

These are all questions you should be asking to **determine whether you're even giving yourself a shot to convert your leads.**

Reason No. 2: Sales Reps Struggle to Provide Value

Reaching out 12 times to set a first meeting requires thought if you want to avoid sending the same message each time. What do you even say to a prospect in those 12 messages?

It should be no surprise that some sales reps are willing to lurk in the shadows for the first two-thirds of the buying cycle as prospects do the heavy-lifting and conduct their research.

This is where it gets tough. Not surprisingly, this is also where a lot of sales professionals struggle to provide value during the buying cycle. It takes time. **It takes thought.** It requires us to think more strategically. It requires us to not only know our product, but to understand our industry. Most important, we have to understand our buyer and their buying committee.

It's not easy, but **no person is better suited to provide immediate value to a buyer than a sales rep.** As a lead comes in, a sales rep has the ability to start understanding that person or target account better than anybody else in the organization can in that moment.

But all too often, sales reps (inside and outside) focus on convincing prospects they should set up a meeting because they have the best solution on the market.

Sales reps call out their rating on **G2 Crowd** or point to where they're located in the latest **Gartner Magic Quadrant** as evidence the prospect should take their call.

As great a resource as G2 Crowd and Gartner can be, **people understand the game.** Give buyers credit for being able to see all the ways us marketers have learned to use promoters and analysts to say nice things on our behalf.

INSTEAD, SALES PROFESSIONALS SHOULD FOCUS ON FINDING A WAY TO PROVIDE REAL VALUE TO PROSPECTS IN EXCHANGE FOR THEM MEETING WITH YOU.

Don't just send an endless onslaught of emails that look like this:

Hey, Sarah, thanks for downloading our white paper on how to drive true ROI through your wellness platform. Let's jump on the phone so I can tell you about how Widget Wellness Solutions can impact your bottom line. Don't want to take my word for it? Look at where we landed on the latest Gartner Magic Quadrant. Or better yet, look at what our clients have to say about us. Let me know when you'd like to talk.

In that email, you've established that your company is great at working with analysts and generating user reviews. But the prospect **doesn't want to talk about you.** They want to know how you can solve their problem. Sales reps struggle to convert leads into meetings because we don't find a way to provide value to the buyer. We focus on selling our products instead of selling outcomes, **and that has to change.**

Want to provide value? Find a key insight that shows the prospect you understand the unique challenges they're facing and that you know exactly how to solve them. Take The Starr Conspiracy, for instance. When someone downloads a **Lightpaper®, Brandscape™,** or e-book, our sales directors are able to provide a key insight to prospects that makes it clear we understand their challenges and that we are in a position to show them how to overcome them.

This is an example of how **key insights** improve our outreach:

Hey, John, I swung by your booth at HR Tech last week. I hung out for a few minutes hoping to introduce myself but you were tied up talking with prospects. While I was waiting, I noticed that ACME Engagement was going with a pretty disruptive message. In our most recent Lightpaper®, **"How to Connect With Your Radical Buyer,"** we spend some time talking about how companies selling engagement solutions should avoid going to market with disruptive messages. Our research found that your buyer is fairly risk averse when it comes to purchasing engagement solutions and is more inclined to gravitate toward a more conservative product message.

Our agency has helped hundreds of companies selling workplace technologies, especially engagement solutions, to create a compelling message that resonates with their radical buyer. Let's jump on the phone to talk about what we're seeing work for companies like ACME Engagement.

Please note that the above examples were completely fabricated for the purposes of this conversation. If you're selling employee engagement solutions, a simple copy and paste is not recommended. If you feel like you need help creating copy for your sales cadence, **we can help.** But the above emails are just examples. As they say, "for educational purposes only."

When crafting these messages, it's important to keep this in mind **— the buyer you're reaching out to is getting emails from 100 other sales reps trying to sell them the same solution.** If you want to convert that lead into a buyer, find a key insight that shows them you understand their business, the challenges facing them, and that you are uniquely positioned to help them. Don't focus on why your solution is better.

So before you hit send on your next email, ask yourself, "What value am I providing in this communication?" If you're having a hard time finding it, keep looking. Don't be **just another rep asking for a meeting** or pitching the features and benefits of your solution. Find a key insight that shows you're worth taking a meeting with. Once you master that, you'll find yourself converting a higher percentage of leads into first meetings.

BUYERS DON'T WANT TO HEAR ABOUT FEATURES AND BENEFITS. THEY WANT TO MEET WITH SOMEONE WHO KNOWS HOW TO SOLVE THEIR PROBLEMS. THEY WANT SOMEONE WHO ADDS VALUE. IMMEDIATELY.

We don't subscribe to the notion that buyers don't want to talk to sales reps until they're 68% of the way through the process, especially those who are facing challenges that are new to the buyer, are purchasing something they consider risky for the company or their own careers, and especially when the solution is complex. These are perfect opportunities for a sales professional to step in and provide a lot of value as buyers work their way through the process.

Reason No. 3: Overdependence on Technology

Technology has changed our lives for the better in so many ways. It's improved how we communicate, how we learn, and how we monitor our health. It's also affected the way we interact with our buyers.

Over the last five years, the number of sales enablement and marketing communications solutions available to us has exploded. In 2014, there were roughly 950 sales and marketing tech solutions. One year later, there were almost 1,900 solutions. Fast-forward to 2019 and you're stuck trying to figure out which five of the 7,000 solutions available to you should make up your sales and marketing tech stack. Want to see what that looks like visually? **Check out how the market has grown from 2011 to 2019.**

A byproduct of so many new solutions coming to market each year is that **there's always a new silver bullet being introduced.** At first it was marketing automation, then lead scoring, then social selling, then intent data. Our heads are constantly spinning trying to keep up. And just as we think we have it figured out, a new solution pops up that is going to revolutionize the way we communicate with our buyers.

At the end of the day, technology is only an enabler. Its purpose is to enable a process to be more efficient and accurate on its way to helping you achieve your business objectives.

Yet all too often we find ourselves chasing the next shiny object and its empty promises. Marketing automation was designed to, well, automate things. Lead scoring was designed to serve buyers up on a silver platter with pen in hand so sales reps didn't have to waste time on buyers who aren't really buyers.

These solutions, just to name a few, promised to make our lives easier while increasing sales by 1,000%. We're slightly exaggerating that percentage for effect, but anyone who's been tasked with setting up or managing those solutions knows that's not necessarily the case. As a matter of fact, for many organizations, the very solutions designed to increase sales velocity have actually hindered it.

OUR JOB AS SALES AND MARKETING PROFESSIONALS IS TO GET SALESPEOPLE IN FRONT OF BUYERS IN THE MOST STREAMLINED WAY POSSIBLE. LET'S NOT OVERTHINK OUR TECH STACK TO THE POINT OF SLOWING DOWN SALES VELOCITY.

If a prospect is in the process of buying a solution we sell, let's not keep them from our salespeople because our tech stack says they're not ready yet (more on that in the next section). Don't let data paralyze us because we want to create the perfect cadence or nurture stream. Too often we see organizations lose out on sales opportunities because they have **over-engineered their processes by trying to incorporate the newest tech fads.**

What's our recommendation? Put your technology to the side, map out the most linear and efficient process to get a prospect in the hands of your sales professionals, and then put the tech stack in place to enable that process. As you gain some traction, slowly start incorporating other tech as needed. But keep an eye on velocity. If it starts to slow down, you're probably overcomplicating the process unnecessarily.

KEEP AN EYE ON VELOCITY. IF IT STARTS TO SLOW DOWN, YOU'RE PROBABLY OVERCOMPLICATING THE PROCESS UNNECESSARILY.

If you're wondering whether your tech stack is getting in the way of converting leads into first meetings, **let's set up some time** to take a look under the hood. Our team loves building tech stacks for organizations selling workplace solutions and **would be happy to offer up a suggestion or two (or three).**

Reason No. 4: Your Lead Score Model

Lead scoring's unique ability to inflict a lot of damage on an organization makes it worthy of investigation calling special attention to it.

One might argue this is just an extension of the previous reason. You would be correct. That said, of all the solutions put in place to help sales and marketing professionals manage leads, this by far has robbed more organizations of money than any other solution we can think of.

LEAD SCORING HAS ROBBED MORE ORGANIZATIONS OF MONEY THAN ANY OTHER SOLUTION WE CAN THINK OF.

The concept is brilliant — give sales reps **only the leads that are ready to buy** so they spend all their time and energy working only the highest-quality leads. There are other reasons one might suggest for implementing lead scoring, but at its core, eliminating waste for sales is the primary driver behind the inception of lead scoring.

That's simple, in theory. But in practice, setting up lead scoring is anything but. Marketing automation solutions want you to believe it can easily be set up in their system, but the problem is, every buying cycle is so unique, it's impossible for any one solution to be capable of building out a default scoring model. **So what's the outcome?**

Leads are at risk of sitting in the queue to be nurtured when they should be in the hands of a sales rep to begin providing value and their pursuit of setting up that first meeting (see Reason No. 2).

Are we suggesting lead scoring is useless and can't be a valuable part of your lead workflow? No, that's not what we're saying. **What we are saying,** however, is that in the wrong hands, and if set up incorrectly, you could be doing more damage to your company's bottom line than you imagined. Why is that? What makes setting up a lead scoring model so difficult?

Well, for starters, to properly set up a lead scoring model, you need data. **Lots of data.** Why? Because to make decisions on how to score prospects based on their behaviors, you need to know what behaviors lead to what outcomes. And to do that, you need enough data to conclusively make decisions. You know, that whole statistically significant thing. The problem with that, however, is that most lead scoring models aren't built from data. They're built from scratch. Plus, when you add in the need to incorporate firmographic and demographic data into those behaviors to determine outcomes, you find yourself needing a significant amount of data to land some decisions.

10

MOST LEAD SCORING MODELS AREN'T BUILT FROM DATA. THEY'RE BUILT FROM SCRATCH.

But let's say you do indeed have the data. Do you have someone on staff capable of performing and interpreting multivariate regression analysis? Did you know what multivariate meant before searching online? Most likely, the answer is no. **But how else would one take all that data and truly interpret the importance of each behavior to predict a buyer's desire to engage in a conversation?** If we're being honest with ourselves, most of us don't have the ability to do that.

So what do we end up doing instead? We make educated guesses. **We leverage the data we have at our disposal — as well as our gut —** to pull together a model based on what we believe to be the best predictors of interest. That might feel a bit dramatic, but that doesn't mean it's not true. It also doesn't mean it's particularly effective. Can you say with a high degree of certainty that your model doesn't have prospective buyers held up in some nurture stream when, in all reality, they are ready to talk?

Even beyond the foundational issues with setting up an accurate scoring model, there are other challenges that we don't often see marketers account for. For instance, lead scoring models need to be adjusted frequently based on new offers being added, changes in market dynamics, or behaviors changing based on economic influences.

What about the fact that lead scoring really only leverages data that can be captured through our tech stack, such as clicks, downloads, page views, opens, and role. It doesn't take into account all of the variables that can't be captured, such as the culture of an organization or whether they just received a round of funding that's a burning hole in their pockets. **There are so many variables that influence buying behavior that marketing automation systems can't capture.** But you know who can identify those variables? A motivated sales rep who received a lead and wants to do some digging on the company to start developing that key insight (see Reason No. 2).

Are we telling you to scrap lead scoring altogether? Not necessarily. What we are telling you is that you don't need to build a model that slows down the sales process or completely eliminates an opportunity because your model keeps leads from progressing at their own speed. Leads have a shelf life. There's enough data now, between organization like **InsideSales, TOPO, and HBR,** to validate the importance of following up with leads within minutes of a download. There's even data to show how quickly a lead will spoil if you're not following up with them soon enough.

Don't let your lead scoring model get in the way of your sales reps converting leads into first meetings. If you can't confidently state that your model isn't inserting unnecessary roadblocks, then you might bypass it until you can.

Reason No. 5: Marketing Teams Are Too Good

You read that correctly. We said it. Sales can't convert your leads into first meetings because you're an incredible marketer.

Go ahead and pat yourselves on your backs and forward this along to all those salespeople who complain about all the leads you send them.

In all seriousness, we've seen this issue create legitimate problems for sales organizations. Although it doesn't happen often, we've seen sales teams overrun by the lead volume generated by the marketing team. **We've even seen agency relationships put on pause as a result of it —** no hard feelings, we promise. This typically happens as a result of marketing activity going from 0 to 100 mph overnight without adequately preparing sales for it. **We think that's a great problem to have.** It's certainly better than the alternative. But it can be wasteful. It creates spoilage within your database if those leads can't adequately be followed up on in a timely manner.

A LEAD GENERATED TODAY WITH NO FOLLOW-UP IS NOT THE SAME AS A LEAD GENERATED TOMORROW WITH TIMELY AND INSIGHTFUL FOLLOW-UP.

This is where the lead scoring evangelist would snarkily say, "Well, if you had a lead scoring model in place, you could avoid that dilemma."

To which we would respond by saying, "You are correct. Reread Reason No. 4 and raise your hand before addressing the class again."

A well-built lead scoring model could potentially help with that problem, but not all organizations will have one in place. For those organizations looking to go from 0 to 100 mph (which typically suggests paid media is being introduced for the first time or that a new round of funding closed leading to an increase in your media budget), **make sure to take into account the sales team's capacity.** Work with them to determine how many leads they can follow up with throughout the day to avoid leads coming in and sitting idle. Pace the lead flow (again, this is usually needed as a byproduct of paid media) to allow your sales team to maximize the opportunities your awesome campaign is producing.

A lot of sales and marketing organizations have this pretty dialed in. For those teams, Reason No. 5 probably doesn't apply to you. But go ahead and pat yourselves on your backs anyhow. **You've earned it.**

Reason No. 6: Inside Sales Is in the Wrong Department

Instead of suiting up for the sales team, your inside sales role should be going to bat for the marketing team.

This might be one of those **"you're just gonna have to trust us"** moments. Without a doubt, this will be the most controversial of our list of reasons leads don't convert to first meetings. It's also the least discussed. Because of that, there isn't a ton of public data to support our theory.

But here's why you can trust us on this last point. We talk with hundreds of sales and marketing leaders every year across all types of organizations. The sales and marketing organizations within some of these companies are world class and some are still climbing the ladder. So we've seen some things. We see what works well in various situations vs. what doesn't. As every decent marketer would in our shoes, we take note of what is working.

And more important, what isn't.

Which leads us to the Reason No. 6 of why your leads aren't converting into first meetings. In our opinion, **your inside sales team is playing for the wrong team.** Instead of suiting up for the sales team, they should be going to bat for the marketing team.

AS EVERY DECENT MARKETER WOULD DO IN OUR SHOES, WE TAKE NOTE OF WHAT IS WORKING. AND MORE IMPORTANT, WHAT ISN'T.

We know, we know. **Spare us the "but we're all one team" talk.** And we promise to chill with the sports metaphors. Look, we're all one big happy family here in sales and marketing land. Especially when the pressure rises and goals are being missed and it's time to point fingers. Nobody on our team would ever throw anyone under the bus as the reason for not hitting numbers. We very much buy into the musketeer methodology. All for one, one for all, and all that.

But here's the deal. It's not about placing blame, because at the end of the day, we all have to function as a family. We're all on the same team, rowing in the same direction, trying to achieve the same outcome. If we can't do that, then we'll all fail anyways. As ~~musketeers~~ marketers, our No. 1 objective is to support sales. That's it. We build beautiful brands because **a great brand gives the sales team a leg up** when going head to head with competition.

We create thought-provoking content because it opens doors for sales reps. We build captivating campaigns because it educates the market, **which makes the jobs of sales reps easier.** We invest in pay-per-lead models in hopes the inside sales team can convert some percentage of those into first meetings.

Our job as marketers is to serve sales. And arguably, the best way to serve sales in their quest to hit their quotas is to set first meetings. There's a lot that can go into setting a first meeting, but one of the most challenging functions is sending a lead over to an inside sales rep and then waiting to see whether they can convert it into a first meeting. The marketer sends over an MQL, inside sales tries to convert it. Between those two functions is where most of the heartache and blame lives.

OUR JOB AS MARKETERS IS TO SERVE SALES.

As we look at organizations that have flipped the script a bit and moved the inside sales role into their marketing organization, we see teams that are outperforming their peers who keep that function in sales. **Why is that?**

Well, we could come up with a number of reasons, but here are a few reasons we believe the inside sales function is succeeding under the umbrellas of marketing:

- Better alignment between inside sales and marketing when deploying account-based marketing (ABM)

- This move brings marketing closer to having some responsibility and attribution for revenue (which is the ultimate goal of sales and marketing)

- Sales management can focus on advancing qualified opportunities instead of reviewing lead quality and assessing why inside sales can or can't convert them

- Inside sales stays current on any brand or product message changes

- Better alignment on the definition of qualified lead

- Improved feedback function between inside sales and marketing

As a result of moving this team into the marketing organization, we're seeing **a significant lift in conversion rates, healthier pipelines, and more consistent sales performance.** In talking with one executive who had been struggling to roll out ABM for the past 18 months, we learned that it wasn't until they moved inside sales onto the marketing team that they were really able to get it off the ground.

One of the reasons ABM is so effective is because it **requires sales and marketing to be tightly integrated.** The organizations that do it really well have learned that the best way to integrate those two teams is to move the inside sales role into marketing. We know that won't be a popular opinion among most sales professionals. But the results we're seeing across this industry (companies selling workplace technology) **are pretty convincing.**

If, as a marketer, you're sending leads over to an inside sales team that aren't converting, or, as a sales leader, you're wondering why marketing is always sending over useless leads, perhaps you should consider rearranging the furniture a little and putting the inside sales team right next to marketing. **We think you'll be pleasantly surprised.**

So, What's Next?

This isn't a call to arms against sales and marketing technology platforms, lead nurturing cadences, or lead scoring. We help our clients optimize each of those every day. However, it is important to recognize that sometimes sales and marketing teams knowingly build in waste and roadblocks with the best of intentions.

If you're reading this, there's a good chance your leads aren't converting into first meetings at the rate you'd expect them to. There could be a thousand reasons beyond what we discussed today. If you were able to pinpoint a solution to your problem as a result of reading this, we are glad we were able to help in some way.

But if you weren't...

Let's Talk

Companies selling workplace technology come to us all the time to help them grow through building their brands and driving leads. We'd be more than happy to spend some time identifying why your leads aren't converting. We love this stuff.

LET'S TALK

About The Starr Conspiracy

You're busy creating the future of work. You don't have time to teach an agency what you do. At The Starr Conspiracy, your work is our business. Brand or demand. Traction or scale. We accelerate results. If you are creating innovative workplace solutions, there's no better B2B marketing agency to bring your brand to life.

The Starr Conspiracy is co-located in Fort Worth, Texas and San Francisco. Learn more at thestarrconspiracy.com.