WORKBOOK

A 5-Step Guide for

Creating a Lead Scoring Program

Worksheets to help you:

- Identify score-worthy actions and attributes
- Define what scores to apply, and when
- Develop an effective, automated qualification process

So What is Lead Scoring?

Lead scoring gives your company an objective system to automatically rank and prioritize leads.

A lead scoring system assigns points to contacts based on the lead's profile and based on actions the lead has taken. Each lead accumulates points as they take actions (visit the website, open emails, attend events, etc.), and as additional details are filled in on their contact record (job title, company size, location, etc.).

Lead scoring models can include both implicit and explicit criteria:

THE BUYER'S PROFILE (EXPLICIT CRITERIA)

This set of criteria is used to identify types of people and companies with the highest propensity to buy. Here, you want to examine if the user is qualified and likely to buy your product using demographic and firmographic data such as:

- Job Title
- Company Size
- Location

THE BUYER'S BEHAVIOR (IMPLICIT CRITERIA)

This set of criteria is used to identify buyers that are highly engaged with your brand. Behavior-based criteria is a gauge of readiness to buy and can help you pinpoint where the contact is in the buying cycle.

- Visits to your web pages
- Attendance at events
- Media downloads and form submissions

68%

of successful marketers cite lead scoring based on content and engagement as most responsible for improving revenue contribution.

(The Lenskold and Pedowitz Groups, 2013 Lead Generation Marketing Effectiveness Study, Nov 2013)

69%

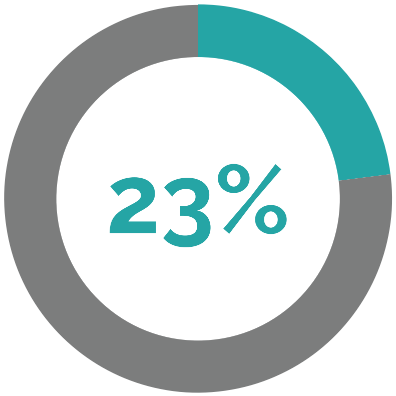
of top performing companies cite "cooperation between marketing and sales" as the most critical value driver for maximizing marketing automation ROI.

(Gleanster, 5 Key Milestones for the First 30 Days with Marketing Automation, Nov 2012)

Why is Lead Scoring So Important?

Lead scoring tackles several issues that often exist within marketing and sales teams. It aligns both sides along common metrics, and can be a critical component of a service-level agreement to define when a lead is considered "sales-ready" and needs immediate follow-up.

Lead scoring criteria should be defined and agreed upon by both marketing and sales teams, so that both sides know what to expect and have buy-in with the lead scoring process.



Only **23%** of sales professionals say marketers consistently deliver sales-ready leads.

(BtoB Magazine, Nov 2013)

FOR SALES TEAM MEMBERS, LEAD SCORING HELPS WITH:

- Defining when a lead is considered "sales-ready"
- Prioritizing leads so that the hottest leads are called first
- Understanding why marketing has qualified a lead
- Starting sales conversations based on interests and pain points exposed during the lead scoring process
- Uncovering hidden sales opportunities

FOR MARKETING TEAM MEMBERS, LEAD SCORING HELPS WITH:

- Defining when a lead ready to be handed to sales
- Identifying leads that need further nurturing and are not yet ready for a sales conversation
- Benchmarking lead quality and improving over time
- Increasing lead quantity and identifying self-educating buyers

A Practical Example

Let's say...

- You're a small software company that sells patch management software.
- You have two offices, one in Asia and one in the US, but you aren't global yet.
- Your software isn't cheap, so you need prospects with reasonably large budgets.

Here's what the lead scoring model might look like for this company:

GROUP 1: THE BUYER'S PROFILE

This is where we assess if the user is qualified to buy.

Registration Question	Excellent Prospect		Okay Prospect		Bad Prospect	
Job Title	IT Director	5	System Administrator	3	Student	-10
Location of HQ	United States	5	Hong Kong	4	Romania	-5
Company Size	> 5,000	4	1,000 - 5,000	2	< 1,000	-2
Industry	Info Tech Services	5	Computer Software	4	Automotive	-5
Budget	> 50,000	4	10,000 - 50,000	3	< 10,000	-2

A Practical Example (continued)

GROUP 2: THE BUYER'S BEHAVIOR

This is where we assess if the user is engaged with the brand.

Now let's add in the behavioral information, which shows how engaged the prospect is with the brand. This will give you information on what they are interested in as well as where they are in the buying cycle.

Behavior	Point Value
Visitor downloaded the "How Do We Compare To Our Competition" whitepaper.	5
Visited company website in the past 7 days.	5
Visitor downloaded the Evaluation Guide.	5
Visitor is already a lead in the sales system.	4
Visitor clicked on company's jobs web page.	-5

A Practical Example (continued)

And now the results!

Let's take a look at how this lead scoring model might play out in different scenarios. Take a look at these two very different contacts. Both of these individuals are actively engaging with the brand, but the lead scoring model is able to give a higher score to the contact that is more likely to make a product purchase.

Contact #1		
Job Title	IT Director	+5
Location	New York, NY	+5
Goals	Seeking a promotion within 12 months	
Recent Activity	• Visited the company website • Downloaded a whitepaper	+5 +5

LEAD SCORE: 20

Contact #2		
Job Title	Student	-10
Location	Romania	-5
Goals	Looking for internships post graduation	
Recent Activity	• Visited the company website • Downloaded a whitepaper • Visited jobs page	+5 +5 -5

LEAD SCORE: -10

Now, You Try.

Building a lead scoring program is pretty simple when it comes right down to it. Before we get started, do you have both sales and marketing team members in the room? If not, walk down the hall and invite them in. It's important that this process is collaborative and represents both marketing and sales points of view.

Let's get started!

It's just five simple steps:

1. Define your ideal buyer profile
2. Assign points to profile criteria
3. Identify behaviors that indicate interest
4. Assign points to behavioral criteria
5. Build it!

Step 1: Define your ideal buyer

Let's look at...

- What types of companies usually buy your product?
- Which types of people usually have decision making authority and budget to purchase your product?
- What fields does your sales team look at first when they receive a lead, and what profile characteristics make them confident that the lead has potential?

QUICK TIPS

Do some analysis of your current customer base before you get started. Look for common demographic and firmographic characteristics shared by your best customers.

Once you've identified the profile attributes you want to score, make sure you are collecting that information via forms, on sales calls, or by backfilling profile information from a third-party data source. The scoring model won't work without data.

Select the attributes that matter most to your business:

- ☐ Job title
- ☐ Job function or level
- ☐ Purchasing authority
- ☐ Years of experience
- ☐ Career specialties
- ☐ Number of direct reports
- ☐ Personal interests & activities
- ☐ Annual budget
- ☐ Company size - number of employees
- ☐ Company size - revenue
- ☐ Industry
- ☐ Geographic location
- ☐ Monthly website traffic
- ☐ Complementary technologies used (e.g. CRM, ERP, DAM)
- ☐ Timeframe for project implementation (e.g. within 6 months, 1 year, etc.)

Don't see any attributes that work for you? Fill in your own:

- ☐ ________________
- ☐ ________________
- ☐ ________________
- ☐ ________________

Step 2: Assign points to profile criteria

The next step is to assign criteria and a point value to each profile attribute you selected. You can use whatever point values fit your needs. Remember, these point values are relative, so make sure that the criteria that are more important and indicate higher likelihood to buy get a higher point value.

Not sure where to start? Try a simple 5, 10, 15 system:

5 points = somewhat important / possible buyer or influencer
10 points = important / indicates some buying potential
15 points = very important / high buying potential or authority

Profile Attribute	Criteria	Points
SAMPLE: Company Size: Employee	SAMPLE: >1,000	SAMPLE: 10

Step 3: Identify behaviors that indicate interest

Let's look at...

- What content on your website do potential buyers usually view before making a purchase?
- Which events, eBooks, videos, and other assets are you promoting that could indicate high likelihood to buy if a user engages with the asset?
- What types of behaviors indicate willingness to engage with sales?

QUICK TIPS

Are you promoting product demos, downloadable product spec sheets, or buyer's checklists? Great! Engaging with those types of assets indicate buying intent, and should get high lead scores.

Ask your sales team about content that they commonly send out to potential customers during the sales process. This is often a great starting point for pinpointing the types of behaviors that should get higher scores.

Don't see any attributes that work for you? Fill in your own:

____

____

Select the buyer behaviors that matter most to your business:

- ☐ Opened any email
- ☐ Opened a specific email: ______________________________
- ☐ Clicked on any email
- ☐ Clicked on a specific email: ______________________________
- ☐ Submitted any form
- ☐ Submitted a specific form: ______________________________
- ☐ Visited your website
- ☐ Visited a specific page of your website: ______________________________
- ☐ Visited any landing page
- ☐ Visited a specific landing page: ______________________________
- ☐ Downloaded any eBook or PDF
- ☐ Downloaded a specific eBook or PDF: ______________________________
- ☐ Watched any video
- ☐ Watched a specific video: ______________________________
- ☐ Registered for any webinar
- ☐ Registered for a specific webinar: ______________________________
- ☐ Attended any webinar
- ☐ Attended a specific webinar: ______________________________
- ☐ Registered for any live event
- ☐ Registered for a specific event: ______________________________
- ☐ Attended any live event
- ☐ Attended a specific event: ______________________________

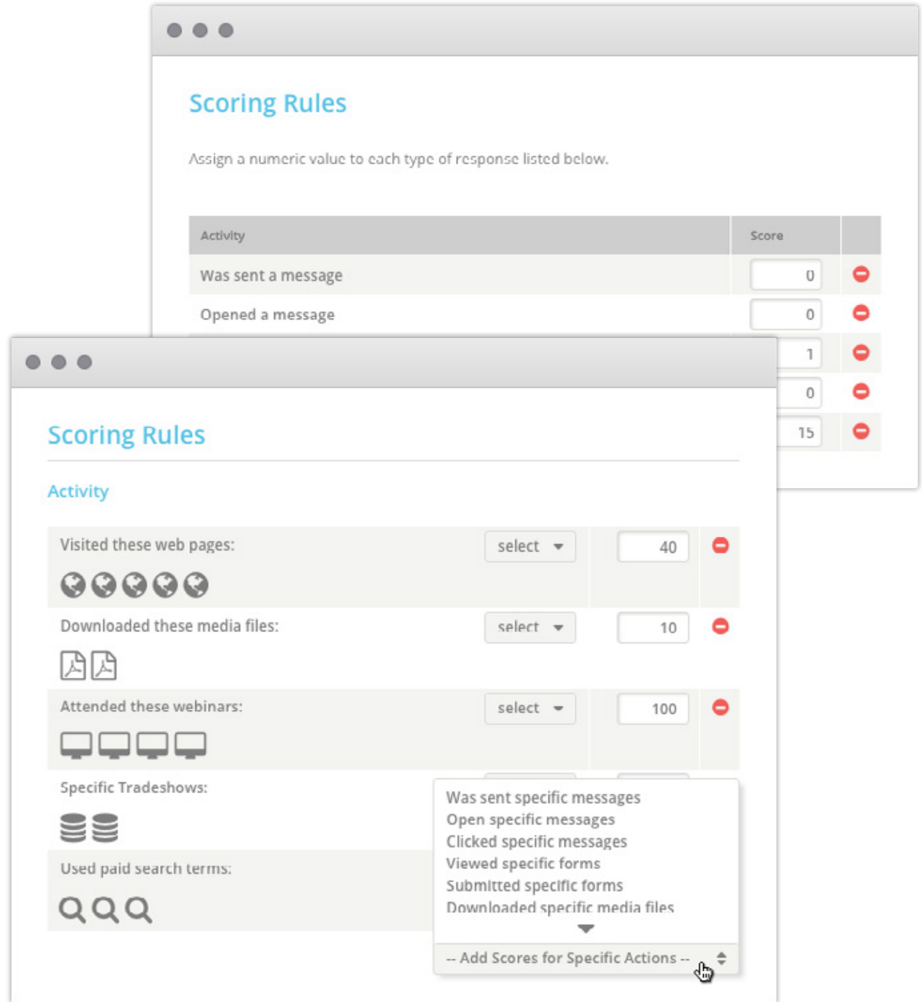
Step 4: Assign points to behavioral criteria

The next step is to assign criteria and a point value to each behavior you selected. Give bigger scores to behaviors that require more time commitment or indicate buying intent. Example: a form submission requesting a personalized product demo should be scored higher than a click on an email.

Behavior	Points
SAMPLE: Submitted any form; Submitted a demo request form	SAMPLE: **10; 15**

Step 5: Build it!

Congrats! You've made it to the easy part. Now that you've built your lead scoring model, all you have to do is enter your lead scoring rules into the Act-On platform. Points will automatically accumulate on each contact record once you've added your scoring rules to Act-On.



What you can do with lead scores:

1. **Create a threshold for determining when a lead is ready for sales.** Sales and marketing should agree on qualifying lead score. Send only leads that meet the threshold to your sales team. Marketing can continue to nurture leads that don't yet quality, and sales can focus on prospects that are truly ready for conversations.
2. **Sync the lead score field to your CRM** so that your sales team can see the lead score of each contact. This allows sales team members to sort, prioritize, and engage with leads efficiently.

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Deloitte.
Technology Fast500
2013, 2014, 2015

Inc. 500
2013, 2014, & 2015
FASTEST GROWING COMPANIES

A LEADER in Forrester Research, Inc. report, The
FORRESTER WAVE
Lead-To-Revenue Management Platform Vendors, Q1 2014

Forbes 2013
AMERICA'S MOST PROMISING COMPANIES

FROST & SULLIVAN
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About Act-On Software

Act-On Software is a marketing automation company delivering innovation that empowers marketers to do the best work of their careers. Act-On is the only integrated workspace to address the needs of the customer experience, from brand awareness and demand generation, to retention and loyalty. With Act-On, marketers can drive better business outcomes and see higher customer lifetime value. The Act-On platform provides marketers with power they can actually use, without the need for a dedicated IT resource.

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