



Intro to Sales and Marketing Cooperation

The Act-On Center of Excellence

Helping you be a better marketer

Course Syllabus

1. [Course Introduction](#)
2. [Sales and Marketing Cooperation Fundamentals](#)
3. [Understanding the Buyer and Buying Process](#)
4. [Designing the Lead Process](#)
5. [The Qualified Lead Definition: When to Pass a Lead to Sales](#)
6. [Managing the Lead Hand-off](#)
7. [Creating Service Level Agreements](#)
8. [Metrics, Optimization, and Feedback Loops](#)
9. [Helpful Tips](#)
10. [Technology](#)

Course Introduction

Cooperation between sales and marketing is essential to achieving your company's revenue targets. The following data highlight this point:

- Aligned organizations (i.e., those whose sales and marketing teams formally agreed to cooperate and put a process in place) achieved an average of 32% annual revenue growth, while less-aligned companies reported a 7% decline (Forrester).
- B2B organizations with tightly aligned sales and marketing achieved 24% faster revenue growth and 27% faster profit growth over a three year period (SiriusDecisions).

When the relationship between sales and marketing is noncooperative, revenue suffers. There are specific steps an organization can take to foster cooperation between sales and marketing; the keys are to agree on goals and expectations, then build a collaborative sales and marketing process.

What's inside this course

This course is designed to help marketers, sales people, and executives build sales and marketing cooperation in their organization. If you're interested in a specific topic, you can focus on that section on a standalone basis. Each section contains: essential best practices; an illustration of those best practices; and a step-by-step how-to.

Who should take this course

Marketers, sales leaders, and executives who want to ensure that marketing and sales can work together towards achieving revenue targets.

How to use this course

Sales and Marketing Cooperation focuses on how to create and manage the sales and marketing relationship. This course serves as a blueprint for marketers, sales people, and executives who want to know the specific steps required to do this. As such, you should take the course once and then refer back to it as you build and maintain a cohesive relationship between sales and marketing.

This course was jointly created by [Act-On](#) and [TOPO](#). Learn more at www.topohq.com

Part 2

Sales and Marketing Cooperation Fundamentals

Part 2 Sales and Marketing Cooperation Fundamentals

The Essentials

In many cases, sales and marketing cooperation is hampered by a lack of communication and agreement. The first step to fostering cooperation is for sales and marketing to agree to sit down and speak with each other. During these conversations, both parties should focus on a few specific areas.

Begin with the end in mind

What are the organization's business goals? These could be market share, net new acquisitions, recurring revenue, reducing churn, customer lifetime value, or a host of other objectives. Whatever they may be, they must be defined and mutually understood and agreed on.

Start with an agreement on the target buyer

A failure to agree on the target buyer is one of the biggest breakdowns between sales and marketing. In such a case, marketing tries to attract one type of buyer while sales wants to sell to a different type of buyer. This problem can be avoided by defining the target buyer before executing any marketing or sales process.

Agree on a qualified lead definition

The lack of qualified lead definitions is another common breakdown between sales and marketing. A qualified lead definition is an agreement between the two parties as to the stages of qualification and when a lead is ready to be passed to sales. The definitions should include demographic information (such as company size) and behavioral information (such as requesting a demo of your product). Once the definitions are created, both sides can agree on a lead hand-off process, which will define when and how marketing will pass a lead to the sales team.

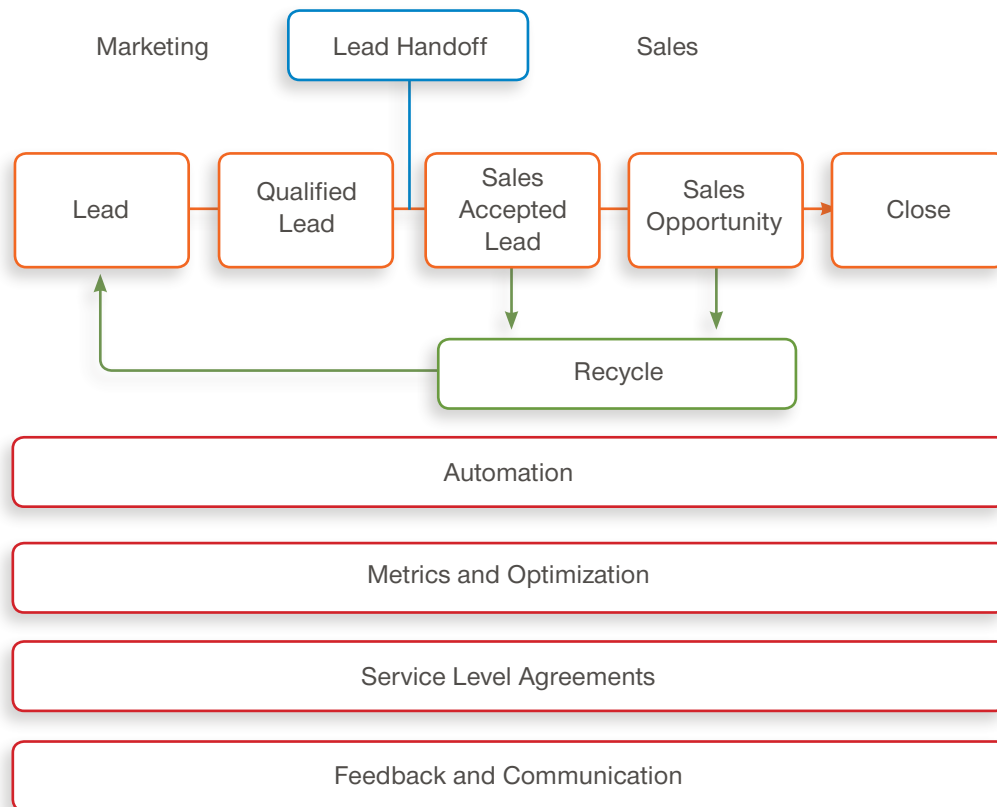
Create a culture of accountability

Accountability is critical to effective cooperation between sales and marketing. You should use common definitions and metrics to track whether both parties are meeting their commitments. For example, marketing will hold itself accountable to sales by signing up for a minimum number of qualified leads, while sales will be accountable to marketing by guaranteeing they will follow up on leads in a timely manner.

Part 2 Sales and Marketing Cooperation Fundamentals

The Big Picture

Here's a straightforward rendering of one common model:



1. Marketing is responsible for moving leads to qualified leads.
2. During the lead handoff, qualified leads are transferred to sales to accept.
3. If sales confirms that the qualified lead fits the criteria, then the qualified lead becomes a sales-accepted lead. If sales doesn't agree, the lead is recycled back to marketing.

Part 2 Sales and Marketing Cooperation Fundamentals

The Big Picture – Continued

4. A sales opportunity happens when sales determines that the sales-accepted lead is a legitimate sales opportunity and agrees to work on the deal. If a sales opportunity drops out of the sales process, sales will recycle them back to marketing.
5. Quantifiable metrics should be associated with each step in the process. By looking at metrics, organizations can find the areas that need improvement and optimize the program.
6. Service level agreements (SLAs) are commitments made by stakeholders in the process to deliver specific results. Based on mutual agreement, SLAs hold everyone accountable for their portion of the process.
7. Communication and feedback should be institutionalized in the process by having both sides attend regular meetings. It's also very valuable for marketing team members to sit with sales team members and observe sales calls.

Every lead needs attention at every step; only marketing automation allows this at scale.

Automated inbound marketing helps prospects find you, supporting demand and lead generation.

Outbound marketing, nurturing, and scoring help move leads through the buyer's journey. Outbound also helps maintain healthy, productive relationships with existing customers, encouraging loyalty and upselling.

At the proper time (that is, one that sales and marketing agree on) marketing automation manages the the lead handoff. This usually accomplished via an integration with a CRM system, which takes leads through the final stages of the close.

Part 2 Sales and Marketing Cooperation Fundamentals

How to: 10 Steps to Sales and Marketing Cooperation

1. Agree to work together

Before you can do anything, both sides need to sit down, meet, agree on the core issues, and then continue to meet and communicate regularly.

2. Agree on the goals

Come to a shared understanding and agreement of business goals.

3. Agree on the target buyer

You'll then need to agree on the target buyer profile. The target buyer profile should be created using data such as current customer information and anecdotal feedback from sales.

4. Design the lead process

The lead process tracks the steps from the point at which a lead is generated to when the lead is handed off to sales. It also includes sales feedback on lead quality.

5. Develop a qualified lead definition

The qualified lead definition is an agreement between sales and marketing on when a lead is ready to be passed to sales. The qualified lead definition should cover both demographic information such as company size and behavioral information such as whether they requested a demo.

6. Design the lead hand-off process

Once the qualified lead definition is created, both sides should agree on the process by which leads will be handed to sales and how sales will subsequently follow up on these leads.

7. Develop service-level agreements

Marketing and sales must agree on performance metrics that they will deliver as part of this relationship. For example, marketing will agree to deliver a number of qualified leads or sales will agree to follow up on qualified leads in a timely manner.

8. Agree on metrics

Sales and marketing must be on the same page on the metrics that will be used to track the success of the

Part 2 Sales and Marketing Cooperation Fundamentals

How to: 10 Steps to Sales and Marketing Cooperation – Continued

program. The metrics should follow the overall lead process. For example, marketing metrics to track could include qualified leads generated and number of leads accepted by sales.

9. Leverage technology

Technology plays a critical role in sales and marketing cooperation. Together, the teams define the sales process. Strategies and steps are identified, and buying signals are agreed on and can be scored. The process is then automated. Using automation, marketing can attract, qualify, and manage a volume of leads through the buyer's journey, and then pass qualified leads to sales at agreed-on points. Existing customers can be sorted and segmented according to factors such as location or product used, and then cultivated for recurring revenue. Marketing automation also makes it much easier to track and report on metrics.

10. Hold regular feedback and optimization meetings

Sales and marketing should meet on a frequent, regular schedule to review and optimize the lead program. Review results, metrics, and compliance with SLAs. This is also a time for sales to provide qualitative feedback on lead quality. In separate content-focused meetings, sales and marketing should discuss how to create and optimize the content that the sales team requires to sell more effectively. In these meetings, marketing will receive feedback from sales on current content and discuss new content requests.

Part 3

Understanding the Buyer and Buying Process

Part 3 Understanding the Buyer and Buying Process

The Essentials

After agreeing on business goals, the first step for the sales and marketing teams should be to define the target buyer. Sales and marketing must agree on the target buyer persona and then design their programs and processes to attract this buyer.

Do research to determine and define the target buyer

To start, determine your organization's most valuable customers. You can identify your most valuable customers using the factors most meaningful to your business, such as revenue generated, product purchased, or sales cycle time. Then look for common characteristics, such as company size, buyer role, or industry. An example target buyer profile might be owners of small businesses (5-20 employees) in North America.

Sales should participate in the identification of the core set of target buyers. Marketing should research these personas to determine whether their marketing campaigns can attract enough of these buyer profiles to justify the investment.

Create and agree upon the target buyer definition and journey

It's also important to identify the steps that your best buyers took to become customers. From this knowledge, you can create buying process maps that detail how your buyers make their purchasing decisions. Make sure you publish your personas and buying process maps so that everyone in the organization is on the same page.

Build your marketing and sales efforts to attract this target buyer

Once the target buyer has been determined, design the sales and marketing process to attract these types of buyers. For example, your website content should be created to attract your target buyer. Similarly, the messaging sales uses in emails and on sales calls should be designed to attract your target buyer. The messaging and language may vary across verticals.

Part 3 Understanding the Buyer and Buying Process

How to: 8 Steps to Determining the Target Buyer and Buying Process

1. Look at data to determine your best customers

Begin the process by looking at data for your current customers. Try to find customer segments that are the most valuable to you by looking at revenue, gross margin, and sales cycle length.

2. Look for common traits among the best customers

Analyze the list of best customers by searching for common traits: company size, location, the buyer's role and industry are all examples of possible common characteristics.

3. Meet with individual sales reps to get anecdotal feedback on the data

In most cases, the data will tell you enough to determine your initial profile of the target buyer, but sales has to agree. Meet with sales leaders and get their input on these buyer personas. Agreement may take several conversations and drafts.

4. Determine whether marketing can generate leads for these buyer types

Before finalizing personas, make sure you've agreed on target buyers that can actually be marketed to. If you choose a persona that is very difficult to attract, marketing won't be able to deliver on the requisite number of leads and the entire sales and marketing process will break down.

5. Map the buying process of your target buyer personas

After you have created your target buyer personas, outline the steps a buyer takes from the status quo until they purchase your product. This insight into the buying process will allow you to create highly effective sales and marketing messaging, programs, and processes. For example, many companies create content for each stage in the buying process to first attract the buyer, then to help the buyer move to the next stage in their process.

6. Publish (internally) the target buyer personas

Once the target buyer personas, journey, and attendant messaging are agreed upon, you need to distribute them to sales and marketing to ensure that everyone is targeting the same buyers.

Part 3 Understanding the Buyer and Buying Process

How to:

8 Steps to Determining the Target Buyer and Buying Process – Continued

7. Optimize the target buyer persona definitions quarterly

Each quarter, sales and marketing should evaluate the current buyer personas by leveraging data and anecdotal feedback to determine effective they are. Sales and marketing should also look at any new data to identify new personas. For example, a company that targets small businesses might find that they are starting to close more business with larger customers; they might decide to create an additional target buyer persona as a result. Keep up with this; the market is dynamic and so your personas will change over time.

8. Test new buyer personas

Companies often need to test new buyer personas as they enter new markets. In this case, sales and marketing should agree on the number of test personas and the frequency of the testing. The key is to test new personas without disrupting your current efforts.

Part 4

Designing the Lead Process

Part 4 Designing the Lead Process

The Essentials

The lead process tracks the flow of leads from the point at which they are generated, to the point at which they are passed to sales, to the feedback loop on lead quality. In many non-collaborative relationships, the two sides don't provide visibility into each other's processes, and as a result can't work together to solve problems or optimize their programs. Designing a collaborative, transparent lead process is essential to solving this problem.

Define the steps

The process is a sequence of steps that happens once a lead is created. Sales and marketing should define the steps together. Each step should have a definition, a description of the current stage, and a clear expectation of what steps must take place for a lead to advance to the next step.

Define responsibilities

Once the steps are defined, marketing and sales need to specify who is responsible for each step. For example, marketing may be responsible for generating the qualified lead, scoring the lead's actions and attributes, nurturing the lead, and passing the data to the CRM.

Determine metrics and SLAs

Each step in the lead process must have metrics and SLAs associated with it. For example, marketing should agree to deliver a number of qualified leads, and/or sales-qualified leads, etc. These numbers should be tracked and reported on.

Operationalize the process

Once the process is determined, you should utilize your marketing automation to support the it. For example, if you've agreed with sales that certain actions (such as visiting a pricing page) are clear buying signals, then those actions should be scored. Once lead scoring has been in place long enough to deliver metrics, it can be adjusted so that when a lead passes a certain threshold, the lead automatically goes to sales or into another program. This can also be used with existing customers to reveal interest in new products.

Nurturing programs can be created to manage many of the steps in the buyer's journey, so that much of the ongoing educational process is directed by the leads themselves as they engage with your materials. Nurturing is a particularly effective tactic, as it results in both more closed deals and higher deal sizes.

Part 4 Designing the Lead Process

The Essentials – Continued

All relevant data should automatically feed into a lead's behavioral profile. This profile gives in an-depth picture of the buyer's converts and interests and indicates why a lead becomes qualified, which is critical information for the sales rep deciding what to say. The marketing automation database can be used for early-stage and mid-funnel leads, delivering leads to the CRM only when they become qualified. Those leads can be delivered in a prioritized list, highest-scoring leads first, that sales can use for time management.

The CRM remains the database of record, but its records are of higher quality than if it had to contain all prospects as well as qualified leads. And the sales team has real-time insights into a prospect's actions.

The database can also identify leads that are missing only one bit of important data in order to become qualified. For example, if a prospect has high behavioral activity but is missing a critical (but easily found) piece of profile information, the marketer can append it and pass the lead to sales.

The problem nurturing solves:

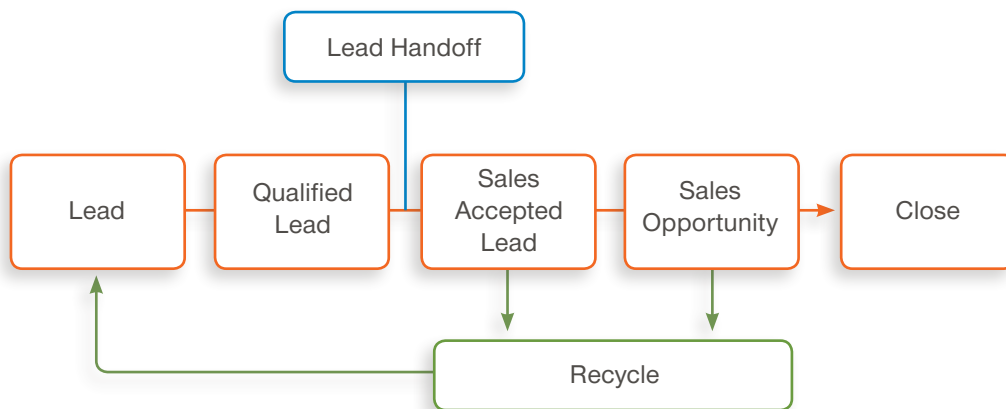
The average sales rep makes less than four total sales "touches" – but 80% of sales happen after the fifth contact attempt. An additional 10-12% happen sometime after the tenth attempt.

Nurturing allows well-planned, strategic marketing touches that help prepare the lead for sales, increasing the total number of touches without increasing the burden on the sales rep.

Part 4 Designing the Lead Process

The Big Picture

Your lead process must be customized to suit your sales cycle and your business goals. Here's a straightforward rendering of one common model:



1. The lead is the first step in the process. Leads advance only if they fit the qualified lead definition. The qualified lead has met the proper criteria to move to this stage in the process.
2. When the qualified lead definition has been met, the lead handoff takes place and the process now moves to sales.
3. If sales agrees that the qualified lead definition has been met, the lead then becomes a sales-accepted lead. If sales does not agree that the lead fits the qualified lead definition, they will recycle it back to marketing.
4. When a lead agrees to engage in the sales process, they become a sales opportunity and will remain in this stage until they close. If a sales opportunity does not move forward in the process, then sales will recycle the lead back to marketing.
5. The recycle process moves leads from the sales-accepted and sales opportunity stages back to the lead stage.

Part 4 Designing the Lead Process

How to:

6 Steps to Design the Lead Process

1. Define all the steps in the process

The process doesn't need to be complicated, but each step should be thoroughly defined and given a name. An example is the "qualified lead" step, where the lead will have to meet the qualification parameters to which both sales and marketing agreed so that it can be passed to sales.

2. Draw a table or flow chart

You should document the lead process in a table or flow chart after you've agreed to the steps.

3. Determine responsibilities

Each step in the process needs an owner. For example, the lead qualification step is most commonly owned by marketing, while sales-accepted lead follow-up is owned by the sales organization.

4. Determine metrics and SLAs

Each step will have a metric, and in some cases an SLA (service level agreement), associated with it. Marketing will agree to deliver or over-deliver a set number of qualified leads over an agreed-upon amount of time, such as a quarter. Sales will agree to follow up on these leads in a specific amount of time and be measured on their follow-up time.

5. Incorporate the process into your marketing automation platform

Your marketing automation system can manage the end-to-end process as a lead becomes interested, initiates discovery, engages, develops into a qualified lead, and moves to sales. Don't neglect existing customers; use your marketing automation platform to keep them engaged and create upselling opportunities.

6. Ensure that sales can see into the marketing automation system

The data and insights from your marketing automation platform must be available and transparent for sales reps. This allows them to remain invested in the lead process to the degree they choose. Sales reps will find the information from marketing automation database, with its individual behavioral histories, a rich source of intelligence to inform conversations. Having this at their fingertips – either in their CRM or in a sales portal – ensures that they have a clear view of the actions a prospect has taken. Also, when they find their own leads (through referral or other means), they can see whether the new prospect already has an existing history of engagement with the company or its products.

Part 5

The Qualified Lead Definition: When to Pass a Lead to Sales

Part 5 The Qualified Lead Definition

The Essentials

The “qualified lead” definition is the point at which marketing determines that a lead is ready to be handed to sales. Without a shared definition, sales complains that marketing is sending them bad leads and marketing complains that sales isn’t following up on their leads. Establishing this definition is one of the most important things you can do to foster cooperation between sales and marketing. The qualified lead definition should cover demographic information (such as company size) and behavioral information (such as their current pains or challenges). It’s good to include information that shows clearly why the lead is ready for sales.

A qualified lead must be a demographic fit

The first step is to identify the demographic parameters of a qualified lead. Analyze your current customer base to find common denominators. Look for demographic parameters such as company size (employees or revenue), industry, job title, business model, and geographic location.

A qualified lead must have demonstrated relevant engagement

Look to the lead’s activity history. Did they open and click on an email? Attend a webinar? Fill out a form? Download a competitive analysis? Which web pages have they looked at, and for how long? A genuinely qualified lead will display proactive engagement.

A qualified lead must be ready to speak to sales

Don’t send unqualified leads to sales, even if you’re striving to make a benchmark number. This damages trust and inhibits their desire to follow up on marketing-generated leads. For full cooperation, sales must be able to trust the leads marketing sends. When you did your buyer persona research, you should have uncovered the steps that your best buyers took to become your customers. Be very aware of the late-stage steps that amount to buying signals and score them as such. This will let sales know *why* you’ve sent them the lead and will foster confidence in your process.

Create an agreement and have both sides sign it

Document the qualified lead definition and have both marketing and sales sign it. This clarifies the understanding and uncovers doubts about the definitions if the parties aren’t willing to sign. The document should include the demographic and behavioral traits a qualified lead must have. It should also include marketing’s responsibilities (develop qualified lead, provide required information, hand-off to sales) and sales’ responsibilities (follow up on leads in a timely and thorough manner, provide regular feedback).

Part 5 The Qualified Lead Definition

The Big Picture

Here's an example of what an SLA might look like:

Required Lead Information	
Information	Qualified Lead Requirements
Full Name	First and last name
Company	Legal company name
Phone	Legitimate phone number
Email	Legitimate business email
Address	City and state. Street address is optional
Website	Company website
Demographic Qualifiers	
Information	Qualified Lead Requirements
Company Size	100+ employees
Revenue	Not applicable
HQ Location	North America
Title or Role	Manager, Director, or VP of Marketing
Industry	All, excluding government and non-profit
Behavioral Qualifiers	
Information	Qualified Lead Requirements
Registration	Completed form to download content or view webinar
Trial or Demo Request	Requested opportunity to trial or demo product
Contact Sales	Requested sales contact
Custom Questions	Answered "yes" to "Do you want to hear more?"
If a lead performs any of these actions, the lead fits behavioral qualification requirements.	
By signing below, I agree to the following qualified lead definition:	
_____	_____
Marketing Contact	Sales Contact

Part 5 The Qualified Lead Definition

The Big Picture – Continued

- 1. Required Lead Information.** Marketing will be responsible for providing correct contact information with their qualified leads. Required information should be limited to information that sales absolutely has to have in order to sell. Any non-essential information should be optional or left out completely.
- 2. Demographic Qualifiers.** Demographic filters ensure that the lead fits your target buyer profile. In this example, leads under 100 employees would be excluded. It is also important to note that most companies choose to filter leads based on either company size or annual revenue, but not both.
- 3. Behavioral Qualifiers.** Behavioral qualifiers are a lead's activities that show buying intent. In many cases, behavioral qualifiers are adjusted and optimized over time.
- 4. Signature.** Both sales and marketing must sign the SLA.

Part 5 The Qualified Lead Definition

How to: 10 Steps to Create a Qualified Lead Definition

1. Commit to developing a qualified lead definition

Sales and marketing must commit to developing a qualified lead definition. Despite the best intentions, marketing often creates a qualified lead definition but sales never sees it – or agrees to it.

2. Use your buyer personas as a starting point

Make sure you reference your target buyer personas as a starting point for your qualified lead definition.

3. Get anecdotal feedback on the qualified lead definition from sales

When designing the qualified lead definition, it is essential to sit down with individual sales reps and ask them: “What is a qualified lead for you?” That doesn’t mean that the organization will have to agree to deliver these types of leads, but it is critical to find a way to get as close as possible to creating a qualified lead definition that sales is willing to work with.

4. Determine demographic qualification information

Demographic characteristics that are commonly used in qualified lead definitions include company size, location, the buyer’s role, or industry, to name just a few.

5. Determine behavioral qualification information

Decide what actions the buyer can take that will qualify them to speak to sales. For example, marketing might pass on any leads that download certain whitepapers or attend a specific webinar. Some organizations ask the question “Would you like to be contacted by sales?” on their registration form to determine whether a lead is truly ready and willing to talk to sales.

6. Forecast whether marketing can deliver enough qualified leads

If the parameters are too narrow, what may look like the optimal lead definition might not work because marketing won’t be able to supply sales with enough leads to fill the pipeline. This is a critical part of the qualified lead definition phase and may require some negotiation between sales and marketing. In some cases, sales will need to accept a broader qualified lead definition in order to fill the funnel with a sufficient number of leads.

7. Create a service level agreement (SLA) for marketing

Marketing’s SLA should specify that it will pass ONLY leads that fit the qualified lead definition. Marketing should also agree that all the required fields are filled out, and that qualified leads will be delivered to sales in a timely

Part 5 The Qualified Lead Definition

How to: 10 Steps to Create a Qualified Lead Definition – Continued

manner. Marketing needs to commit to deliver a certain number of qualified leads each quarter. The qualified lead number should be tracked on a weekly basis.

8. Create a service level agreement for sales

Conversely, sales should agree to follow up on leads in a timely fashion. Best practices recommend that sales follow up on leads within 30 minutes of receipt and no longer than 24 hours. Sales should also agree to a minimum amount of touches over a defined period of time. How many, and for how long, is entirely dependent on your business model and sales cycle. As one example, suppose a business sells a low-priced service that requires no capital outlay, and the typical sales cycle is 30 days. The sales organization could agree to three phone calls and three emails over two weeks for every qualified lead they receive from marketing. Higher-priced items and complex sales could take much longer and require many more touches in multiple channels.

Finally, sales should agree to update the status of every qualified lead that is passed to them.

9. Sign and publish the qualified lead definition

The qualified lead definition is in essence a contract and should be treated as such, including being shared with everyone who is a party to it in sales and marketing.

10. Revisit the qualified lead definition quarterly

Each quarter, sales and marketing should meet to determine whether the qualified lead definition should be modified. For example, the company might be launching a new product that serves a new demographic and the definition should be updated to reflect that.

Part 6

The Lead Hand-Off Process

Part 6 The Lead Hand-Off Process

The Essentials

Once a qualified lead has been identified, the next step is to create a lead hand-off process where marketing hands the qualified lead to sales so that sales can follow up on it.

A standard hand-off from marketing to sales

Marketing will be responsible for ensuring that the qualified lead reaches the appropriate contact on the sales team. There are a number of common practices to ensure a seamless hand-off. Some companies have a single point of contact on the sales team who receives all qualified leads and then assigns them to sales reps. Technology can also auto-assign qualified leads to the correct sales rep. For example, if sales reps own geographic territories, then the CRM system will automatically route qualified leads from these geographies to the appropriate sales rep. It's also important that marketing deliver the contact data (primarily name, phone, and email) when delivering a qualified lead to sales, along with the activity history. There should be an automated process to alert sales that they have a new qualified lead.

A standard follow up process for all qualified leads

As part of the qualified lead definition process, sales should sign an SLA detailing how quickly they will follow up, the number of touches a lead will receive, how long they will work on a qualified lead, and what happens to the lead after sales has worked it.

The closed loop process

The only way to determine the effectiveness of the program and to optimize it is to understand what the results were for the qualified leads passed to sales. As part of this effort, it's critical that sales reps be required to update the status of each qualified lead they receive as they go through their follow-up process.

Part 6 The Lead Hand-Off Process

How to:

6 Steps to Creating a Lead Hand-off Process

1. Agree on a qualified lead definition

As discussed in Part 5, the qualified lead definition will determine when leads will be passed to sales.

2. Determine who on the sales team will receive the qualified leads

Some organizations pass the qualified leads to a single point of contact on the sales team who then routes the leads to the proper sales rep. Other organizations pass qualified leads directly to sales reps.

3. Develop a process for passing qualified leads to sales

Now that you have determined who will receive the qualified leads, create a process for getting the qualified leads to sales in a timely fashion. The best process is to have your marketing automation platform pass qualified leads to individual sales reps via the CRM system. The marketing automation system can create a prioritized list of hot leads based on lead scores. This can be accessed in the CRM and helps the reps manage their time.

4. Specify a standard lead follow-up process for sales

A service level agreement should be created that requires sales to follow up quickly on leads and guarantees a certain number of phone and email touches per lead. The first step is to alert sales that a newly qualified lead has been created. Sales should then reach out to these leads within a certain amount of time, as specified in the SLA. Sales should make an agreed-upon number of touches in an agreed-on amount of time.

5. Create a process for recycling qualified leads back to marketing

Many qualified leads will not become a sales opportunity for any number of reasons. For example, sales may not be able to reach the lead or the lead may tell sales that the timing was not right. Create a process to recycle qualified leads back to marketing, so they can be nurtured until they are ready to engage.

6. Use a closed loop process to optimize the program

Sales should provide feedback to marketing on the status of all the qualified leads that were passed to them. This activity requires that sales update the status of every qualified lead that is passed to them.

Your in-house terminology and number of stages may vary. Generic examples of status updates include: “qualified” for leads that sales confirms conform to the qualified lead definition; “recycle” for leads that marketing should continue to work on; “trash” for leads that are not qualified and will never be; and “could not reach” for leads that sales could not connect with.

Part 7

Creating Service Level Agreements (SLAs)

Part 7 Creating Service Level Agreements

The Essentials

A service level agreement (SLA) is a commitment made by a person or organization to deliver a defined level of service over a defined amount of time. SLAs are critical to sales and marketing cooperation as they hold everyone accountable for their roles in the revenue process.

Marketing service level agreements

Marketing's service level agreement must contain at least two commitments:

- A specified number of qualified leads each month or quarter.
- A certain amount of information for each qualified lead that is passed to sales, such as the lead's first and last name, company name, phone number, email address, and activity history showing engagement and interests.

Sales service level agreements

The sales team's SLAs should focus on ensuring timely and thorough follow-up with the leads they receive. Sales must guarantee:

- Each rep will spend a certain amount of time following up on each qualified lead.
- Each lead will receive a minimum number of touches.
- Each lead will be kept open a minimum amount of time before sending it back to marketing.

Finally, sales should commit to provide regular feedback on lead quality and quantity to marketing. This requires sales reps to update the status of each lead in the CRM application and to attend regular meetings to provide anecdotal feedback on the qualified leads passed to them.

Shared service level agreements

In some cases, sales and marketing will create a shared service level agreement. The most important one is the agreement to meet on a regular basis to review and optimize the program. A good starting point is to meet once or twice a month.

Part 7 Creating Service Level Agreements

The Big Picture

This SLA is an example that could be used by a company with a relatively short sales cycle:

Marketing Service Level Agreement	
Activity	Timeframe
Deliver only qualified leads to sales	3 hours
Deliver qualified leads with valid contact information	Same as above
Sign up for quota of qualified leads (may vary over the course of a year)	Monthly or Quarterly
Sales Service Level Agreement	
Activity	Timeframe
Follow up promptly on qualified leads	5 minutes to 24 hours from receipt
Follow up on qualified leads with a minimum of 3 calls and 3 emails	2 weeks
Update lead status in CRM on all qualified leads	Within 2 weeks
Sales and Marketing Mutual Service Level Agreement	
Activity	Timeframe
Attend lead feedback meetings	Weekly or bi-monthly
_____	_____
Marketing Contact	Sales Contact

1. Sales and marketing will both agree to service level agreements. SLAs should be created only for activities where the assigned party can control the outcome. For example, marketing should not sign an SLA for sales-accepted leads.
2. The quota for qualified leads should exist in a separate document, as qualified lead quotas will change over time.
3. In the early stages, both sides should agree to meet at least once a week. As the program matures, these meetings can be spread out to every two weeks or monthly.
4. Both sales and marketing must commit to the SLAs and sign the document.

Part 7 Creating Service Level Agreements

How to: 4 Steps to Creating SLAs

1. Create an SLA for the number of qualified leads marketing must deliver

Marketing needs to commit to deliver a certain number of qualified leads. This number is typically determined by balancing the number of leads required to achieve the revenue target with what marketing believes it's capable of delivering.

2. Create an SLA for the minimum amount of lead information required

Most organizations require that marketing provide basic contact information, such as name, phone, and email. Other organizations require more extensive information, such as industry or company description. If your marketing automation system maintains activity histories for each lead, these should be included.

3. Create an SLA on how sales will follow up on leads

Sales must agree to follow up on qualified leads within a certain timeframe. Best practice is to follow up on leads within 30 minutes, with worst-case within 24 hours. Sales will also sign an SLA to guarantee a certain number of touches. A common SLA for touches for non-complex sales is three phone calls and three emails over the course of two weeks.

4. Create an SLA that requires sales to provide closed loop feedback

The only way to truly optimize the program is to generate feedback from sales on the leads they receive. The best way to do this is to require sales to update the status of leads within two weeks of receipt. Make sure you don't create too many options for sales to use when updating a lead's status. Instead, create three to five dispositions such as "qualified," "recycle," "trash," "could not reach," and "sales opportunity."

Part 8

Metrics, Feedback Loops, and Optimization

Part 8 Metrics, Feedback Loops, and Optimization

The Essentials

Sales and marketing cooperation is an ongoing process. The best way to foster cooperation is to agree to a set of metrics, create a regular feedback loop, and then work together to optimize the process. Shared metrics allow both sides to agree on expectations for what will be delivered. Regular feedback meetings facilitate communication to improve the process.

Critical sales and marketing metrics

There are a handful of metrics you should track to make sure sales and marketing are collaborating. Your business goals will determine what those are. Here are examples of common ones you might choose:

- **Qualified leads passed.** Leads that have met the qualified lead definition and have been passed by marketing to sales.
- **Follow-up times.** The amount of time sales takes to follow up on leads.
- **Sales-accepted leads.** Leads that sales agrees fit the qualified lead definition.
- **Opportunities from qualified leads.** Leads that have become sales opportunities.
- **Revenue generated from qualified leads.** The amount of revenue generated from qualified leads.

You should also create conversion rates for each metric. For example, a common conversion rate to track is qualified leads/sales-accepted leads. If this conversion rate changes radically in a given time period, then you should review the qualified lead definition or lead follow-up process.

Hold regular feedback meetings

Feedback meetings should occur frequently, ideally weekly or bi-monthly. Review performance against target metrics at these meetings. For example, you could review marketing's progress against the target number of qualified leads. There should also be a review of any wins or losses generated from qualified leads, and you should gather feedback from sales. Finally, marketing should share with sales any new upcoming campaigns.

Part 8 Metrics, Feedback Loops, and Optimization

The Big Picture

Here's an example of how one young company might determine the number of leads needed by evaluating revenue goals and deal size.

Assumptions	Number
Revenue goal year 1	\$500,000
Avg order size (\$10k per site)	\$10,000
Sales cycle in months	3
# qualified leads/order	6
# orders needed for year 1	50

Months	Jan	Feb	Mar	Apr	May	June	July	Aug-Dec	YR 1
# orders needed	NA	NA	NA	5	5	5	5	30	50
Qualified leads needed	30	30	30	30	36	36	36	72	300

1. Fill in all the boxes in the assumptions table. The number of qualified leads/order number is the number of qualified leads it takes to achieve one order. You should be able to figure out this ratio by looking at past performance. If there is no past data, then begin with a best guess (typically 3%-25%).
2. The number of orders needed per month is calculated by dividing the number of available months in the year by the total number of orders needed to achieve the target revenue. For this example, the combined periods of August–December ramp to six orders per month.
3. The calculation for the monthly total qualified leads needed is the number of orders needed by the end of the sales cycle multiplied by the number of qualified leads/order. This is commonly referred to as the sales close rate. This calculator will help you set your qualified lead goal for each month.

Part 8 Metrics, Feedback Loops, and Optimization

How to: 5 Steps to Metrics and Optimization

1. Agree on metrics

First, agree on the metrics that will be tracked in the process. This will allow both sides to evaluate progress with clear expectations. Don't create too many metrics. Keep it simple, and focus on the metrics that matter.

As an example, if lead generation is your business goal, your core metrics are:

- Qualified leads passed
- Sales-accepted leads
- Opportunities created by qualified leads
- Revenue generated by qualified leads

Follow the conversion rates from one metric to the next in order to track improvement over time. For example, a key conversion rate is qualified leads/sales-accepted leads. Another metric to track is lead follow-up times from sales. This metric is critical because the success of your lead programs depends on how quickly sales is following up on qualified leads.

2. Agree on milestones and set SLAs

Milestones and SLAs create accountability. Every metric should have a milestone. You will need to adjust milestones over time, but start the process of reviewing metrics with baseline goals. SLAs should only be created for metrics that a particular organization can control. For marketing, it's recommended that they have an SLA for qualified leads, while sales should have an SLA for follow-up time. The other milestones should be shared and used to optimize processes. For example, if qualified leads are not turning into sales opportunities, then the qualified lead definition and sales qualification process should be reviewed.

3. Set up automation to track and report on metrics

You should be able to track these metrics in your CRM reporting. Set up your CRM so users can input the necessary information and reports can be created. Some CRMs allow you to measure the Revenue Impact of campaigns in your marketing automation platform.

Your marketing automation system should be able to track additional meaningful metrics, including website visitors; email campaigns and the actions they generate; forms completed and abandoned; landing pages and their conversion rates; and the activity across your social media channels as compared with your own statistics and your competitors.

Part 8 Metrics, Feedback Loops, and Optimization

How to:

5 Steps to Metrics and Optimization – Continued

4. Meet regularly

On a weekly or bi-monthly basis, sales and marketing should meet and review the following issues: current metrics, progress against milestones or SLAs, anecdotal lead feedback, wins/losses from qualified leads passed, and any upcoming campaigns. These meetings should be lead by one assigned meeting owner and follow a predetermined agenda.

5. Use metrics to optimize your process

Besides accountability and visibility into progress, the other purpose of creating metrics and feedback is to optimize your process. Shared metrics and expectations allow both sides to work together toward the shared goal of revenue attainment and avoid finger pointing. Optimization is a two-way street. For example, one optimization might be to cancel particular lead programs because they are not producing qualified leads. On the other hand, the qualified leads might not be the problem; perhaps the messaging sales is using when connecting with qualified leads is hurting your conversion rates.

Part 9

Helpful Tips

Part 9 Helpful Tips

How to:

5 Helpful Tips for Sales and Marketing Cooperation

1. Be the one to reach out to sales

Marketers are the communicators inside an organization. If the relationship between sales and marketing is adversarial, marketing should reach out to bring both sides together.

2. Invite sales to lunch once a month

One of the most productive activities you can do is to regularly meet outside the office. A lunch or coffee will offer a casual atmosphere to talk and understand each other's point of view. Do something together once a month. Both sides should be committed to making it happen.

3. Sit in on sales calls

This is often called a "ride-along." The purpose of this exercise is to observe how your qualified leads and sales interact. You might come away with some ideas on information you can provide sales during the lead hand-off, or you might have recommendations for sales on how they communicate with the leads you pass. You might learn something new about which messaging is most effective, or what real customers really want. Either way, this is an essential activity and should occur on a regular basis.

4. Over-communicate with each other

Of all the potential challenges both sides will face as they work together, communication is an easy one to solve. For example, if there is a problem, ask for a meeting and talk about it. Otherwise, the issue will fester and harm the relationship.

Another form of communication is to make sure the sales team is aware of new developments in marketing. One idea might be to create a weekly email to sales with the latest developments in marketing. Finally, sales should allow marketing to sit in on their weekly sales meetings so they know what is going on in the sales organization.

5. Get CEO buy-in

Cooperation often happens more frequently when the CEO mandates it. You should make sure the CEO knows what both sides are doing to work together and make sure they support it.

Part 10

Technology

Part 10 Technology

The Essentials

A number of the core elements of sales and marketing cooperation outlined in this course, such as designing a lead process, the lead hand-off, and metrics, optimization, and reporting, cannot be managed without technology. There are two key applications that will help your organization be successful: Marketing automation and customer relationship management (CRM).

Marketing automation

Marketing automation is, among other things, a way of gathering and organizing information about prospects to provide a 360-degree view of their needs and interests. This allows sales to sell more effectively and allows marketing to serve the needs of the entire customer life cycle.

It begins with automated inbound marketing that supports demand and lead generation. Once a lead is in your system, outbound marketing, nurturing, and scoring help move leads through the buyer's journey. Nurturing programs can be created to manage many of the steps in the buyer's journey, so that much of the ongoing educational process is directed by the leads themselves as they engage with your materials. Nurturing is a particularly effective tactic, as it results in both more closed deals and higher deal sizes.

Website visitor tracking adds critical "pages visited" data to individual activity histories. This can indicate interests and sales-readiness; it can also be used with existing customers to reveal interest in new products.

Scoring is another key feature, applying numerical value to actions (such as visiting a pricing page) that are clear buying signals. When a lead passes a certain threshold, it automatically goes to sales or into another program.

Marketing automation also helps maintain healthy, productive relationships with your existing customer base, encouraging loyalty and upselling.

If you use a CRM

Your marketing automation platform should sync with your CRM application. This will give sales reps immediate access to qualified leads to follow up with, let them track the status of these leads to provide feedback, and continue to manage leads as they become sales opportunities until close. The CRM application will also be the primary source of reports on the lead process.

The marketing automation database can be used for early-stage and mid-funnel leads, delivering leads to the CRM only when they become qualified. Those leads can be provided in a prioritized list that sales can use for time management. The CRM remains the database of record, but its records are of higher quality than if it had to contain all prospects as well as qualified leads. And, when the marketing automation platform and CRM are integrated, salespeople can view and access powerful lead insights and opportunities right in their own CRM dashboard, saving time and effort.

Part 10 Technology

The Essentials—Continued

If you don't use a CRM

CRM investment is not a prerequisite for success with marketing automation. Act-On's robust and flexible software allows non-CRM marketers and sales users to monitor website visitors and set alerts, send emails, set trigger notifications to alert sales team members about new form submissions, and more. Using these capabilities in conjunction with lead scoring and segmentation can drive targeted, relevant campaigns to contacts and leads through the successive funnel phases to close.

Part 10 Technology

How to:

8 Steps to Setting up Technology

1. Set up lead scoring in your marketing automation to determine when a lead is ready to be passed to sales

You can configure your marketing automation to assign scores based on demographic attributes (such as company size or title) and behavioral attributes (such as filling out a registration form). Set up lead scoring so that it recognizes when a lead has become qualified and the score triggers the system to promote the lead to sales. The marketing automation application then updates the CRM application to send the leads directly to the sales team.

2. Create lead nurturing campaigns in your marketing automation

Marketing will continue to work leads until they reach the score necessary to be passed to sales. How you configure your lead nurturing campaigns will depend on how you segment your leads and how you define a qualified lead.

For example, if the primary requirements for a qualified lead are demographic, then you might set up your lead nurturing program with progressive profiling. Progressive profiling will present different registration fields to buyers every time they visit your website until they provide the data required to be promoted. Your lead nurturing campaign will present offers that invite these buyers to fill out the forms.

Or, you can create outbound nurturing programs for leads by segment. Another example is if your qualified lead definition requires buyers to download a particular number of offers or certain types of offers, then you might set up a lead nurturing campaign that promotes a variety of offers on a regular basis until they ultimately download them all and become a qualified lead.

3. Set up trigger emails

Trigger emails launch immediately (or at specified times) after a buyer takes a specific action. Trigger emails feel very personal to the recipient and have the highest open rates of all. For example, if someone registers for a webinar, you'll have an entire set of messages set up. One would be a trigger email that thanks the lead for registering, tells them how to join the webinar, and invites them to add the event to their calendar. Another example would be a "Thank you" for opting in to subscribe to a newsletter, welcoming the registrant and advising them of what to expect, with a personal signature. These should have a "From" address with a person's name, not a generic company name. This could be a marketing person, or if the registrant can be segmented to a sales rep's territory, it could be the sales rep's "From" address.

Part 10 Email Marketing Technology

How to:

8 Steps to Setting up Technology – Continued

4. Lead routing

Once qualified leads are passed to sales in the CRM application, the CRM application should route them to the appropriate contact in sales. For example, east coast sales reps would receive only east coast leads.

5. Contact information

Sales and marketing will agree on a standard set of information that sales will be provided when they receive a lead. The marketing automation and CRM applications will have to be configured to ensure that this information is captured.

6. Lead and opportunity status updates

Once a qualified lead is passed to sales, the CRM must be configured to allow sales reps to update the status of these leads and ultimately close the loop on these leads. Your system should be configured to track lead statuses (e.g. “unqualified,” “trash,” “could not reach,” “sales-accepted”) and opportunity statuses (current stage in the sales cycle or closed/lost information).

7. Reporting

Your applications must be able to report back to the organization the information necessary to track the status of metrics and SLAs. Your marketing automation platform and CRM application should be able track most of the metrics recommended in this document. These reports must be accessible in real time by sales and marketing.

8. Training

All the key stakeholders in the process must be trained on how to execute their assigned tasks. Sales reps have to be trained on how to update information on their qualified leads. Without their manual data entry, many of your reporting needs will not be met.

Resources

Learn more

Other courses in this series:

- Email Marketing
- Landing Pages
- Social Media Lead Generation
- Webinar Planning & Management

Learn more about email

[Browse](#) white papers, blog posts, videos, and more.

Read customer case studies

[Learn more](#) about how real people use marketing automation for lead generation and customer lifecycle management.

Visit Act-On University

Access more [training resources](#).

About Act-On Software

Act-On Software's integrated [marketing automation](#) suite is the foundation of successful marketing programs, from simple and direct, to sophisticated and globally executed campaigns. Act-On is a cloud-based marketing platform that enables marketers to tie inbound, outbound, and nurturing programs together in a single dashboard. Scalable and intuitive, Act-On supports sales as well as marketing and is fast to implement, easy to use, and powerful.

About TOPO

This course was created by [Act-On](#) and [TOPO](#), a research, advisory, and consulting firm that believes in a really simple, but powerful idea – that the most important thing in business is to deliver a great buying experience.