

# Lead management and customer analysis

Turning shoppers into buyers **Interviewed by Dale W. Hlaves**

**B**y analyzing customer, prospect and marketing campaign data, it is possible to determine the effectiveness of marketing and sales channels and ultimately assist an organization in allocating resources for maximum return. Such an analysis facilitates the necessary and eventual trade-off between traditional advertising (television, print, radio) and direct-response emerging media (Internet leads, search, banner ads, direct mail, events), as well as among sales channels (retailers, agents, Web sites, call centers, brokers and distributors).

When a company understands the factors that influence this marketing and sales-channel effectiveness, this understanding becomes a driver of sustainable competitive advantage.

"We already field lead management solutions today that drive increased close rates and that help retailers focus on their highest priority prospects," says Jack Bowen, chief marketing officer at Urban Science Inc., a global software and consulting firm based in Detroit. "This end-to-end solution includes scoring leads, differentiating marketing treatment and auditing retail channel compliance in handling these valued leads."

*Smart Business* spoke with Bowen about using the right methods to reach high-potential consumers around the globe.

## What is lead management?

Lead management, a key success factor in business, can be applied to most industries. Jupiter Research estimates that 22 percent of all automotive sales in 2004 were generated from the Web — a number that is forecast to grow. Lead management solutions collect, enhance, process, score, recommend and facilitate follow-up and report upon the close rate of leads.



**Jack Bowen**  
Chief marketing officer  
Urban Science Inc.

Leads originate from multiple sources such as Web sites, direct mail, third-party providers, events and call centers. Businesses implement sophisticated marketing strategies to attract potential customers, whether at the shopping mall, over the Internet or in person on the retail floor. It is important to identify, understand and take relevant action immediately, as soon as the consumer states an interest. It usually amazes our clients, but research has shown that 40 percent to 60 percent of Internet shoppers who submitted a lead to automobile brands were not followed up properly by the retailers.

## How does scoring leads add value?

It allows for the consistent and reliable application of differentiated marketing treatments. It helps align customer service representative (CSR) behavior with customer expectations. For example, a "high priority" designation may indicate that the customer service staff provides VIP treat-

ment, which is more in line with the expectations of these particular customers. Conversely, scaling back resources allocated to lower priority leads can result in increased profit or greater investment in higher priority prospects.

## How does differentiating marketing treatment make your marketing and sales activities more efficient?

In a word: targeting. Highly targeted marketing messages with relevant content are more effective than broadly distributed messages with generic content. This type of messaging strategy frequently demands special treatment from increased need for integration with the sales channel, while at the same time driving both effectiveness and efficiency.

## What do you mean by "auditing retail channel compliance"?

An analysis of close rates reports will inevitably uncover wide variations across products, territories, lead-sources, retailers and CSR staff. This information forms the basis for understanding channel performance. Incentive and performance improvement programs should be part of a channel compliance process to assess overall performance.

Turning shoppers into buyers used to be the exclusive domain of the retail sales staff. However, as the Internet gains more and more significance in this area, data analysis and process-integration are taking center stage in the search for improved marketing return-on-investment.

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