Developing a Lead Qualification Framework

Now that you've defined your vision and you understand how much it costs, you need to convert it into goals for your marketing and sales teams. The first step in doing that is developing a robust lead qualification framework. After all, the more qualified a lead is, the more likely they'll help you achieve your revenue goals.

The activities in this section will walk you through the process of developing a lead qualification framework that will ensure your sales team is focusing on the best prospects.

Want to know more?
Watch Developing a Lead Qualification Framework (20:57)

The Ideal Customer Profile

To define a qualified lead, you have to understand what makes someone a good fit for your offering. Creating an ideal customer profile is an excellent way to do this.

An ideal customer profile is a checklist of the most basic attributes someone needs to have to be successful as your customer. The best way to create your ideal customer profile is to get representatives from both marketing and sales together to discuss what attributes your best customers have in common.

If you're in a B2B organization, your ideal customer profile will be at the company level. If you're in a B2C organization, it will be based on a particular market segment. Regardless of what space you're in, here are some questions that should help jump-start the conversation between marketing and sales:

1. Are there economic factors that make a customer ideal or not ideal?
    a. **B2B**: Number of employees, revenue, customers, etc.
    b. **B2C**: Income, education, household size, phase of life, etc.
2. Are there market segments that are ideal or not ideal?
    a. **B2B**: Industry, vertical, etc.
    b. **B2C**: Occupation, interest, lifestyle, etc.
3. Are there geographic locations that are ideal or not ideal?
4. Are there legal standards that are required to purchase your product or services?
5. Are there any other attributes that make a buyer ideal or not ideal?

As you discuss these questions, rely as much as possible on any data you have. This is especially important if marketing and sales don't work well together. "Aligned to Achieve" makes a strong argument for this:

> When we rely on data, we can turn it into a fact-based conversation. We can both see exactly what's happening. Data takes the emotion out of it. It keeps you from getting defensive, especially if you approach it [by saying], "Let's both sit down and look at the data." It also helps you figure out what the true issues are and points you in the right direction to fix them. (pg. 5)

Use the box below to brainstorm ideas about your ideal customer profile — but remember, nothing is final until marketing, sales, and your customer data have all been consulted.

Measuring Sales Readiness

In addition to identifying what makes someone a good fit for your product, you also need to know how your prospects demonstrate that they're ready to talk to sales. A person can be a good fit for your product, but if they aren't interested in talking to you, you need to leave them alone.

To measure sales readiness, you need to identify the actions people take that are correlated with purchasing your product. Identifying these actions will be a joint effort between marketing and sales and should be based on data, if possible.

Here are some actions that you may want to consider:

1. **Interactions on your website**
    a. Content conversions
    b. Number of page views
    c. Specific pages viewed
    d. Forms submitted
    e. Live chat interactions
    f. Other activities

2. **Email engagement**
    a. Email opens
    b. Email clicks
    c. Email replies
    d. Negative metrics (SPAM, unsubscribes, etc.)
3. **Social media engagement**
    a. Following your company on various channels
    b. Engaging with social content (shares, comments, etc.)
    c. Connecting with sales
4. **Online and in-person event attendance**
    a. Register
    b. Attend
    c. Engage (comments, business cards, etc.)

Use the table on the next page to list the actions you identified, organized by what level of interest they indicate. If possible, look at past data to see which actions most often lead to a sale — but remember, nothing is final until marketing, sales, and your customer data have all been consulted.

Activity	Level of Interest
(EXAMPLE: Submitted the “Contact Sales” form on our website.)	Hand-raiser (wants to talk to sales)
(EXAMPLE: Attended a product webinar.)	Actively investigating your product
(EXAMPLE: Follows us on Twitter.)	Passively interested in your product
(EXAMPLE: Unsubscribed from our newsletter.)	Not interested / Do not contact

The Lead Qualification Matrix

In this activity, you'll combine your ideal customer profile with your sales readiness metrics to create a single lead qualification matrix.

You've already brainstormed ideas for your ideal customer profile. Take time to discuss your ideas with other people in your company. Hold a meeting between marketing and sales to create a definition everyone agrees on. When you're done, you should be able to list out the attributes of an ideal customer as a series of checkboxes or bullet points.

If you're a B2B company, your ideal customer profile might look like this:

- Industry: Manufacturing
- Size: <1,000 employees
- Location: UK or France
- Other: NOT publicly traded

If you're a B2C company, it might look more like this:

- Age: 65+
- Income: <$75,000
- Location: Miami, Florida, USA
- Family situation: Married, no kids at home

Write your ideal customer profile here:

In most cases, your ideal customer profile will be five or six checkboxes, but it can be more or less, depending on what your teams decided. For the purposes of your lead qualification matrix, you need to determine the cut-off between good-fit and poor-fit leads.

Define the cut-off between good-fit and poor-fit leads. *How many checkboxes in your ideal customer profile does a lead have to check off to be a good-fit lead? Are there any boxes that EVERY lead MUST check off, regardless of how many other boxes they check off? Are any of* *the activities in the "actively investigating your product" section of activity 3.2 REQUIRED before someone can talk to sales?*

You're now ready to create a lead qualification matrix. Use the template below to get started. In each box of the matrix, write either "Sales" or "Marketing" to indicate which team is in charge of the leads in that box.

	Hand Raisers	Sales Ready	Unready
Good Fit			
Poor Fit			

If you can, look at your past data to see how many leads (on average) you get in each bucket each month and what percentage of the leads in each bucket close into customers within a normal sales cycle. Put these numbers in the matrix.

Here are some questions to discuss once you know these numbers:

- Is the conversion rate between good-fit and poor-fit leads different? If it isn't, revisit your ideal customer profile and make sure it only includes attributes that are actually predictive.
- If you're getting a lot of poor-fit leads, which sources are they coming from? What can you do to improve your messaging in those channels?
- What is the difference in the conversion rate of hand raisers compared to other sales-ready leads? Is it significant enough that you might want to count hand raisers differently in your SLA? What can marketing do to generate more hand raisers?

You also need to develop a strategy for how you handle these leads and help them make progress. Here are some questions to discuss with marketing and sales:

Nurturing: *How does marketing nurture unready leads to get them sales ready?*

Qualification: *How do you know when a lead has moved from being unready to being sales ready?*

Notifications: *How does marketing notify sales when a lead becomes sales ready? How frequently is sales notified (immediately, once a day, etc.)?*

Unqualified Leads: *How does sales send leads back to marketing?*

Lead Details: *What information needs to be included when marketing sends a lead to sales?*

Data: *What data do both teams need to input for the appropriate reports to be run?*

Additional Resources

- **Email Marketing Certification — **This course covers the details of lead nurturing to help your marketing team learn how to keep your prospects moving forward.