In many organizations, marketers do not qualify their inquiries before sending them to their partners in sales, and it doesn't take a genius to realize this will result in working bad opportunities and losing good ones. Since marketing and sales share the responsibility of generating profitable revenue, it's imperative the two groups operate as a well-synchronized team.

For most organizations, the marketing team is responsible for generating and managing opportunities, while the sales team is responsible for closing deals. Sales may be responsible for generating some of its own deals, but typically they rely on marketing to forward deals that are ready to move into the close cycle. These types of leads are often referred to as "qualified leads."

However, when teams are misaligned, the demand generation engine is also misaligned. When this alignment isn't fixed marketing earns a reputation for generating bad leads…resulting in sales ceasing to process them altogether. Consequently, the entire revenue generation engine begins to break down.

When it comes to the lead generation process, there are three crucial components for keeping sales and marketing on the same page:

1. A set of common definitions for each stage of the buying process.
2. A process to score leads so qualified leads are properly dispositioned.

3. A process to nurture and cultivate opportunities as they move through the purchase life cycle.

Let's take a look at what's required to do each of these well:

Demand generation is about creating buying opportunities. The life cycle of an opportunity begins at the contact stage and ends when the opportunity is either won or lost. These stages are typically labeled as name/target, suspect, lead, qualified lead, prospects, and customers. Having clear definitions—ones marketing and sales agree on for each stage—will go a long way toward achieving alignment and success in an organization's revenue-generating efforts.

Definitions that are specific, descriptive, and behaviorally based are ideal. For the sake of this article, we'll define contact/name as having the name and relevant contact information for someone in the target market. Think of names as people who might be receptive to your offer and company, but haven't expressed any real interest in either.

- **Suspect:** Someone who has in some way behaviorally demonstrated interest.
  
  For example, a suspect may have attended your session at a conference and/or signed up for your company newsletter.

- **Lead:** Someone who could reasonably participate in the purchasing process.
  
  This person has expressed interest directly to your company, identified his/her needs, and indicated interest in evaluating potential solutions.

- **Qualified Lead:** Someone whose profile, behavior, and demographics are a good fit for your solutions. They are prepared to purchase a product or solution in your category.

- **Prospect:** Someone who has initiated the buying process. Yet, things can still
go south here. Budgets can vaporize, priorities can shift, and terms or conditions can nix the deal.

- **Customer:** Someone that has a contractual relationship with the company and has made an actual financial exchange for goods and services.

Now that you have clear definitions, the next key element is lead scoring. This is a methodology for quantifying the expected value of a qualified lead, both to help prioritize leads and to maximize marketing's and sale's interactions with the potential customer. Working together, sales and marketing create a model assigning points to qualified leads so they can be sorted and prioritized.

The point ranges are used to create categories for the qualified leads. Categories such as A, B, C, and D are commonly used. Qualified leads in the A category are directly routed to sales because they typically have the highest likelihood for closing in a relatively short period of time. B, C, and D qualified leads remain owned by marketing and placed in a nurturing program to be "cultivated."

Which brings us to the third crucial element: cultivation. This is a process for managing suspect, lead, and "not-sales-ready" qualified lead opportunities. Suspects, leads, and a certain number of qualified leads are generally not ready to buy when we first receive them. These types of leads are nevertheless very important, and have the potential of becoming customers with the right nurturing tactics. This is where cultivation plays an important role.

Marketing will need a combination of tactical nurturing programs such as newsletters, online communities, and e-mails with fresh content—such as white papers, case studies, and online events—to positively influence buyer readiness. These tactics lay the groundwork for when the opportunity gets closer to the consideration and
purchasing stage, positioning your company's products and services among their consideration set.

The idea behind lead cultivation is to implement a defined process, enabling the organization to monitor any indications an opportunity is moving closer to becoming a qualified lead. For those qualified opportunities not yet sales-ready, the cultivation process should include a more human element, such as phone calls, personal demos, and face-to-face sales appointments. And of course, once the opportunity becomes a customer, the nurturing process needs to include elements that will continue to grow your share of their business. By developing a systematic approach to nurture opportunities through the buying process, you create a cultivation strategy covering the entire purchase life cycle.

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