

Lesson no. 1: Lead Generation for Business

1. UNDERSTANDING LEAD GENERATION FOR BUSINESS



In marketing, lead generation is the initiation of consumer interest or enquiry into products or services of a business. Leads can be created for purposes such as list building, e-newsletter list acquisition or for sales leads. The methods for generating leads typically fall under the umbrella of advertising, but may also include non-paid sources such as organic search engine results or referrals from existing customers.

Leads may come from various sources or activities, for example, digitally via the Internet, through personal referrals, through telephone calls either by the company or telemarketers, through advertisements, and events. A 2017 study found that 89% of respondents cited email as the most-used channel for generating leads, followed by content marketing, search engine, and finally events. A study from 2017 found that direct traffic, search engines, and web referrals were the three most popular online channels for lead generation, accounting for 93% of leads.

Lead generation is often paired with lead management to move leads through the purchase funnel. This combination of activities is referred to as pipeline marketing.

A lead is usually allotted to an individual to follow up on. Once the individual (e.g. salesperson) reviews and qualifies it to have potential business, the lead gets converted to an opportunity for a business. The opportunity then has to undergo multiple sales stages before the deal is won.

2. WHY LEAD GENERATION IS IMPORTANT



Another way to think of lead generation is to think of it like collecting valuable information. Extremely valuable information. Information like a site visitor's first and last name, email address, and company gleaned when they:

- a) Fill out forms for downloaded content
- b) Share contact information for a coupon
- c) Subscribe to an RSS feed or email list

Inbound marketers collect and use this information to nurture that lead. Because the person has already showed some natural interest in a company's product or service, this makes that person a more qualified lead than traditional, outbound leads.

Instead of a shot in the dark, companies that use lead generation data are already a step ahead. In fact, according to the Hinge Research Institute, 60 percent of their leads online are twice as more profitable than those generating less than 20 percent of their leads online.

Along with higher conversion rates, lead generation can also be an very cost-effective solution because it focuses on aligning both sales and marketing teams—virtually closing any communication gaps (a common pitfall of many organizations).