Do you know qualified business leads when you see them?

Qualified lead generation depends on marketing, sales and top management jointly defining a "qualified lead" using lead scoring.

By M. H. "Mac" McIntosh, CBC

You may think you know what qualified sales leads are, but if you asked your salespeople and corporate executives, would they have the same definition? Probably not.

If qualified lead generation in a business-to-business marketing-for-leads program is to succeed, marketing, sales and corporate management need to share a unified definition of qualified sales leads. If you all agree from the start on what a qualified lead is, the marketing team stands a better chance of generating leads that will be valuable to the salespeople.

It's important to confirm the qualified-leads definition, in writing, with all parties. This definition is different for each company, so you must do some work to define the meaning of qualified sales leads at your company.

Characteristics of a qualified sales lead

General questions that need to be answered in order to determine that a lead is qualified include the following:

- Does the prospect have a need or an application for your product or service?
- What is the prospect's role in the decision-making process?
- What is the prospect's timing for purchase or implementation?
- What is the status of the prospect's budget?
- What is the size of the opportunity?

However, additional or more detailed criteria may be needed to define qualified leads at some companies. This starts with a company contact, who admits to a business problem, either latently or directly, that could be solved by a product and/or service you are selling. Here are a couple of examples of problems/solutions to use in qualified lead generation.

Problem: The Company’s current disparate computer systems require employees to perform redundant data entry, which wastes their time and reduces efficiency.

Solution: Your software product would enable single data entry.
**Problem:** The Company’s managers suspect it is paying too much for unused software licenses, but they don't know for sure.

**Solution:** Your license management software tracks all software on a network so companies can determine what software is licensed and being used or not

In addition to having a business problem that your company's products or services can solve, truly qualified leads must meet other conditions:

- They must have an established project in play. This is apparent if a task force has already been appointed to solve the problem or, for a small company, if the inquirer's boss asked him or her to find a solution or make a recommendation.
- They already have or believe they can find the money to buy a solution to the problem. Or they are in the process of developing a budget.
- They plan to purchase within a reasonable amount of time.
- They have the power to get you in front of the appropriate final decision maker(s) when the time is right.

**Create a sales lead glossary**

In addition to defining a qualified lead, consider creating a glossary of standard terms defining what your company considers to be a "suspect," a "prospect," an "inquiry," a "response," a "qualified sales lead," a "qualified suspect," a "qualified prospect" and so forth.

Again, sales, marketing and management need to agree on the definition of each term, as this will help you avoid confusion later during qualified lead generation.

**Use a lead scoring approach**

As you develop your lead qualification criteria, keep in mind that lead scoring can be an effective method of determining which leads are qualified and ready for sales follow up.

To score a lead, assign points based on how well the prospect meets each of your lead-qualification criteria. Consider the following example:

- Funding, ready to go: 5 points
- Budget in formulation: 3 points
- No budget for project: 0 points
- Is the decision maker: 5 points
- Is the recommender: 3 points
- Is an influencer: 1 points
- Has a clear need for product: 5 points
- Plans to buy within six months: 5 points
- Plans to buy in one year or later: 1 point
- Plans to buy $50,000 of product: 5 points
- Plans to buy less than $100 of product: 0 points
To score the lead, add up all the points. Then, for example, those with 20 or more points are determined to be qualified sales leads; you should send them to your sales force.

**Teamwork drives sales opportunities**

Meet with your peers in marketing, your company's salespeople and your senior managers to learn about their definition of qualified sales leads. Use the lead-qualification criteria and scoring examples mentioned earlier in this article as discussion starters. Distill what you learn into a draft definition and run it by all the participants for further discussion and approval. If there is still disagreement, let your company's senior sales management make the final decision.

With marketing, sales and management all speaking the same language vis-à-vis qualified sales leads, everyone can pull together to target and nurture the most promising leads. And boost sales and revenue as the result.

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**About the author:**

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