



Using Market Research to Improve Lead Generation

In most companies, there is continuous pressure on marketing and sales teams to improve the quality and quantity of leads. But with so many systems, approaches, recommendations and experts out there, where do you start? Do you revamp your CRM (Customer Relationship Management) system or send your sales team to the latest lead generation training? Do you refocus your media plans or enhance online content?

STOP AND THINK

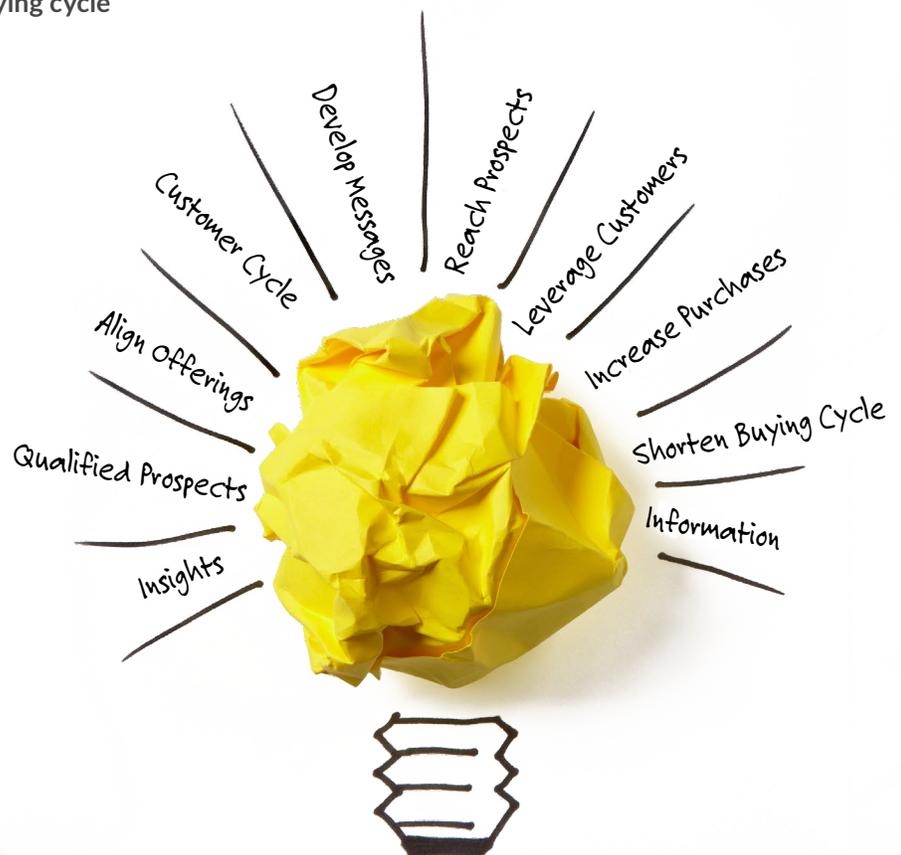
Before you embark on any path, the smartest thing to do is to **stop** and make sure you have a complete understanding of your customers and prospects and their specific buying cycles. The surest path to more sales is to think like a customer and modify your sales cycle so that it functions as a true customer buying cycle that fits their needs, not yours.



Do you know your customers?

Market research can give you the insights and information you need to:

- Define your best qualified prospects
- Align your offering with prospects' specific needs, wants, aspirations and preferences
- Determine your true customer cycle
- Develop the messages that help prospects make decisions and move toward purchase
- Identify the most effective ways to reach prospects at each stage of the customer cycle
- Leverage current customers to bring in prospects
- Increase the purchase amounts of current customers
- Shorten the customer buying cycle





You are most likely already conducting market research, through a variety of methods, including:

- Feedback from sales and service employees out in the field
- Communication with customers, including satisfaction cards/surveys
- Website analytics
- Participation in professional and industry associations/events
- Customer panels, advisory groups, etc.

When your goal is to improve lead generation and conversion, the most effective place to focus your research effort is with a comprehensive study looking at customer profiles and satisfaction and competitive analysis. **If you understand on a deep level who buys your products or services and what motivates them, you can target non-customers with the same profiles.**

Begin by compiling all the primary and secondary research you already have on hand that relates to your customers. Then, look for gaps in your understanding.

- Do you have good demographic information on your customers, but no reliable data on their trusted information sources or information-gathering practices?
- Maybe you have a strong grasp of your customers' buying cycles, but you don't have a complete understanding of what is driving and motivating their decisions at each point in the process.
- Perhaps you have solid numbers on what customers are purchasing from you, but no idea what they might be purchasing from competitors.
- Do you have a good grasp of your primary customers but don't understand what motivates your occasional buyers?

Once you have precisely identified what you know and what you don't know, you can determine the most effective strategies for confirming your current assumptions and gaining additional information and deeper insights.



The following chart outlines some of the types of market research studies and/or analysis tools that can yield information relevant to each lead generation goal:

MARKETING GOAL	RESEARCH OBJECTIVE	POTENTIAL METHODOLOGY(IES)	RESULTS
Define top prospects	Develop profiles for your current key customer groups	<ul style="list-style-type: none"> Quantitative survey Cluster analysis Discriminant function analysis Conjoint analysis 	<ul style="list-style-type: none"> Know where to cast your net "Rifle instead of a shotgun approach" Use budget more cost efficiently
Determine customer buying cycle(s) and align buying process with customer needs	<ul style="list-style-type: none"> Determine buying preferences Identify underlying motivations, priorities and drivers for selection and satisfaction 	<ul style="list-style-type: none"> Qualitative research (focus groups, online panel, etc.) Quantitative survey Kano analysis 	<ul style="list-style-type: none"> Higher conversion rate Shorter buying cycles Greater customer satisfaction and repeat purchase
Identify most effective ways to reach prospects at different stages of buying	Identify information sources and behaviors	<ul style="list-style-type: none"> Qualitative research (focus groups, online panel, etc.) Quantitative survey Segmentation analysis 	<ul style="list-style-type: none"> Cast your net more accurately Smarter media and public relations plans
Refine marketing messages for better results	<ul style="list-style-type: none"> Measure current brand awareness levels, perceptions and preferences Determine underlying motivations, priorities and drivers for buying 	<ul style="list-style-type: none"> Quantitative survey Max Diff Analysis Conjoint analysis Factor analysis Regression analysis 	<ul style="list-style-type: none"> More effective content Increased leads and conversions
Leverage current customers for referrals	<ul style="list-style-type: none"> Measure satisfaction levels and what is driving high satisfaction areas Identify customers most likely to refer Understand customers' preferences for referring 	<ul style="list-style-type: none"> Quantitative survey and Kano analysis Segmentation analysis Qualitative research (interviews, focus groups, etc.) 	<ul style="list-style-type: none"> Increased referrals

Remember, the key to increasing sales leads is to first completely understand how and why your current customers are buying from you – then you can target your marketing and sales efforts to find more of them or to drive increased purchases. And don't rely on your assumptions or past history. You need to know what they are thinking and doing **right now**. Even the most traditional industries experience changes in customer needs, information sources, buying preferences and more.

Another assumption to avoid is to think that all of your customers are alike or that their experiences buying from your company are the same. We often find that there are distinct differences between a company's primary customers (those that use your company as their major source of products/services) and its secondary customers (those who purchase from multiple companies or consider you a secondary source). Secondary customers may have different needs, purchase motivators, customer experiences and brand perceptions. Understanding those differences can be the first step in gaining more of their business.

One factor to consider when conducting this type of market research is designing your study so that you can use advanced analysis tools. These tools will produce multi-dimensional customer profiles and provide a detailed map for competing in your market.



Need help with your market research?

If you'd like more information on how specific market research tools deliver information relevant to your lead generation/conversion goals, send your question(s) to Linda Kuster, lkuster@vernonresearch.com or call (319) 364-7278.

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