

# Scoring marketing leads for better conversions

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*Achieving monthly targets for marketing or sales teams is difficult and tough. Scoring marketing leads and then re-scoring by sales can work very well to achieve targets in a smarter way. Identifying and prioritising leads to chase is the first step to getting there.*

*Every business is unique, and each has its own lead scoring system. Scoring marketing leads is not entirely a scientific process, it is an unknown blend of experience and data. Experience is a variable, however, having accurate data can help you score the leads efficiently. Smarter scores are workable and yield results.*

## **What is lead scoring?**

*Lead score is usually a number that, normally expressed in percentage of chances of making the sale. Once you have a few leads in your marketing pipeline, score each one based on a set of pre-determined metrics. This will not only help pass valid leads to sales but also give you insights into what leads you are generating and how you can tweak the marketing process to attract better leads. This cyclic process will help you get better at the game with time.*

## **The process of marketing lead scoring**

### **Step 1: Choose your scoring variables / attributes**

Scoring marketing leads involves understanding of your visitors. Create an average [audience profile](#) that resonates the characteristics of your average customer. Categorise by profession – do they run their own businesses or are they salaried? What is their domain? What are their actions before making a purchase – free trials, sampling? Take a feedback from sales and analyse the basis of their conversion to customers.

Normally, scoring marketing leads depends on the following variables:

<b>Attribution</b>	<b>Value</b>	<b>Score</b>
<b>Critical (10-15 Points)</b>		
Role	VP, Sales	+10
Industry	Business Services	+11
Biggest Challenge	Lead Gen	+15
Employees	30 - 100	+13
<b>Important (5-9 points)</b>		
Location	US	+9
Employees	10 - 30	+8
Role	Manager	+5
Timeline	6 months	+5
<b>Influencing (1-4 points)</b>		
Location	US or Canada	+4
Timeline	12 months	+2
Employees	100 - 250	+1
<b>Negative</b>		
Role	Student	-15
Company	Unemployed	-15
Location	Asia	-10
Employees	1 or less	-13

- *Industry – Depending on your product or service, which domains or industries do you cater to? Get data from sales, analyse it and sort them by industry, calculate the percentage of conversion domain-wise. Use this data as a basis for analysing leads in the current pipeline.*

- *Business size – Which size of businesses or customers working in those businesses gets you a higher conversion rate? SMBs Vs enterprise businesses is a big touchpoint to score your leads.*
- *B2B – If your products or services are B2B, who approved the purchase from the client's end? A C-Club executive, a VP, a manager or the purchase department? This analysis will give you accurate data on target oriented marketing.*
- *Website – As the owner of the website, the marketing team needs to identify pre-purchase activity. Scoring marketing leads here will also depend on free-trial customers or visits to pricing pages, etc. If you can analyse and execute search intent optimisation (<https://efficaci.us/search-intent-optimization-a-complete-guide/>), it will give you fantastic results.*

*All touchpoints or factors that identify your high converting customers are called “segments” or “variables” in marketing lead scoring jargon. They do not have barriers and are interchangeable. Once you have these segments or variables in place in your entire marketing funnel, the next step is to find out the value of these leads.*

## **Step 2: Ascertain lead yield or average conversion rate for your segments**

*Once you are done with marketing lead scoring for all leads in the funnel, you can use the following methods to calculate the conversion rates and the lead yield.*



### Conversion Rate Formula

Calculate how frequently a click or visit results in a conversion.  
Clicks are used for links, ads, or posts, while visits are used for websites.

$$\text{Conversion Rate} = \left( \frac{\text{Total Attributed Conversions}}{\text{Total No. of Clicks or Visits}} \right) \times 100$$

*\*Conversion Rate is expressed as a percentage, so for ease of use x100 is added to the above equation.*

#### **What does it mean?**

**Conversions:** An action you want people to complete (for example buying something or signing up for something).

**Total Attributed Conversion:** The total amount of conversions which were caused by these clicks/visits. Conversions usually have multiple causes, so someone (usually the advertiser) has to decide what to attribute for each conversion.

**Total No. of Clicks or Visits:** The number of clicks a link, ad, or post received, or the number of visits a website had.

Conversion rate – Conversion rate is a simple ratio between the number of conversions or deals and the total leads. The formula:

$$(\# \text{ of deals or conversions} / \text{Total leads}) * 100$$

Lead yield – This is the ratio between the total revenue from closed deals and the total leads. The formula:

$$\text{Total revenue from deals} / \text{Total \# of leads}$$

Once you are done with these calculations, prioritising the conversion rate of lead yield will depend upon your business goals and the pricing models. For example, if you run a subscription-based revenue model, conversion rates are very important because you are getting long-term customers and their value increases. If you are selling white goods, lead yield is a prioritised metric because you are doing onetime deals and onetime price is the only revenue.

Once this prioritisation is done, it is time to delve deeper into your lead behaviour and fine tune it.

### Step 3: Compare your data



Once you are done with the ratios, how do you know if they are good or bad? It is always important to compare them with your old data. To do that, calculate the same for all your customers over a period (1 year data should be good enough).

This will give you the conversion rates and lead yields for an average customer. Compare the present data (probably for the last 30 days or a month) with the average customer data. This insight is very critical to marketing lead scoring.

For example, if your lead conversion rate is 20% for the last year and your present funnel segment is averaging 5%, the lead score assigned should be low.

#### Step 4: Assigning lead score to variables and segments

Scoring marketing leads depends on the how the present data on a particular segment compares to your old data. Many businesses use a scale of 1 to 10. However, if you are looking for precision, expanding the scale to 1 to 100 will be a good idea.

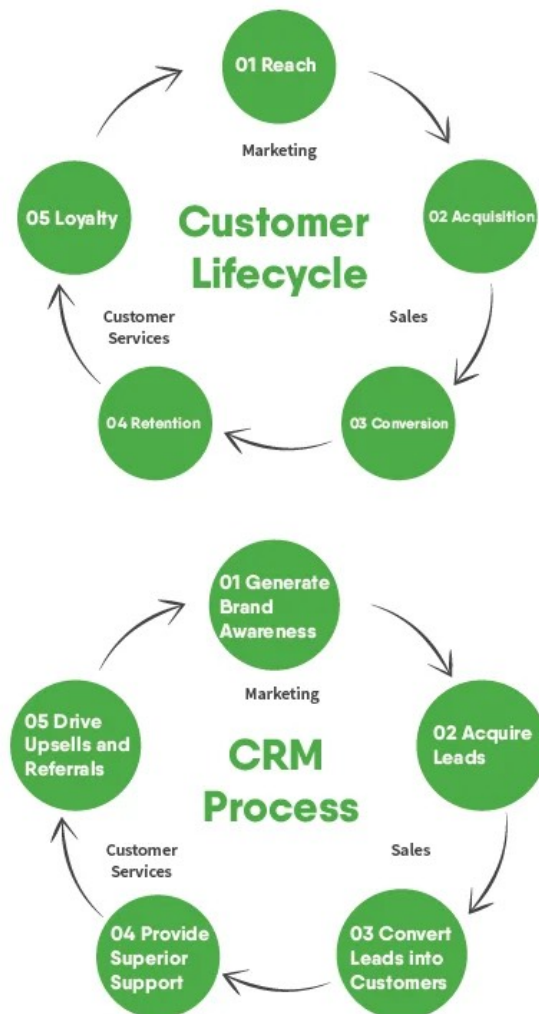
Demographic	Lead Input	Score
Job Level/ Seniority	VP	+ The most points (10)
	Director	+ 2nd most points (8)
	Manager	+ Few points (6)
*Most Important Factor for Fictional Company*	HR	+ The most points (15)
	Finance	+ 2nd most points (10)
	Legal	+ Few points (2)
Employee Size	500-999	+ The most points (5)
	999-5,000	+ 2nd most points (4)
	250-499	+ Few points (3)
Company Type	B2B	+ The most points (10)
	B2C	+ 2nd most points (7)
	Non-Profit	- Negative points (-5)

Image source: SnapApp

Having keys within the score will enhance your consistency in marketing lead scoring. Use a point system, for example, a 10% lead score could be equal to 2 points and so on. A larger scale will be more precise for now and for future analysis.

#### Step 5: Attribute based lead evaluation

Once you have the list of attributes (as in Step 1) and lead scores, use them to evaluate leads in the funnel, one by one. Although many CRMs make a good job of lead scoring, a manual evaluation will give you more insights. Once you do this 5 or 6 times, the differences between a [CRM](#) evaluation and yours will be transparent and you can only expect so much from a CRM. This data will be useful to enhance your experience of marketing lead scoring and fortify your perspective on the differences.



Add up the attribute scores for each prospect in the funnel and create a list. You will have a much clearer perspective on the leads you are generating and this data can help tweak your marketing strategy and the sales pitches used.

## Improve marketing targeting using lead scores

Once you have a first-hand experience in marketing lead scoring and understand the conversion attributes for your business and domain, you will gain insights into new marketing opportunities.

Demographic	Lead's input	Score (points)
Seniority Level	C-Level	+ 10
	Manager	+ 8
	other	+ 6
Company's core business	Finance & Insurance	+ 15
	Health & Pharma	+ 10
	News & Media	+ 2
No. of employees	500-999	+ 5
	1000+	+ 4
	200-499	+ 3
Company type	B2B	+ 10
	B2C	+ 7
	Non-Profit	- 5

These could include better targeted marketing, targeted landing pages, targeting newly found segments and variables. This will help identify and prospect for high-scoring customers on the right channels.

These insights will also help recreate targeted [email marketing](#) campaigns month on month. When the outreach is better targeted, results are not far away.

## **Conclusion...**

*Marketing lead scoring helps marketers target the right customers and get a higher value for their efforts. However, marketing and sales need to work in tandem here and tread the thin red line between them with care.*

*Make this process a part of your [digital marketing](#) strategy. After all, a cohesive business is always more efficient than not.*