

The Lead Dogs

▶ Case Study



Microsoft® Dynamics Realizes Double Digit Released Lead Rates from Integrated Direct Mail and Telemarketing Campaign

Highlights

The Lead Dogs helped Microsoft Dynamics triple campaign response rates by:

- ▶ Developing an integrated marketing campaign designed to target specific industry segments.
- ▶ Creating personalized, online response forms for a fast and simple way for targets to respond.
- ▶ Leveraging telesales teams to follow up and help qualify leads.
- ▶ Providing consistent lead scoring to help deliver more qualified leads to sales.
- ▶ Utilizing online reporting technology to gather feedback on campaign performance and help develop strategies for future campaigns.

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Greg Wilkinson

Industry Marketing Manager for Manufacturing

Microsoft Dynamics

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Industry Marketing Manager for
Distribution
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Challenge

Greg Wilkinson and Tom McHale of Microsoft Dynamics knew that with their limited budgets and historically average direct mail response rates, there was little hope they would reach their marketing averages. "You can quote us. Response stunk," says Wilkinson, Industry Marketing Manager for Manufacturing. "Our average response rates were mediocre at best, topping out at 1 – 1.5%. And our internal release rate (leads released to the sales channel) was a paltry 8 – 9%."

McHale agrees. "We knew it could be done better, but weren't sure how," says the Industry Marketing Manager for the Distribution industry.

That's how Liz Taylor, President of Liz Taylor Marketing, LLC, came into the picture. Taylor had worked with Microsoft Dynamics before, and came highly recommended. She initially developed a direct mail program using Microsoft Dynamics' response and fulfillment outsourcing vendor, but at the last minute, the company backed out of the campaign due to capacity issues. "We had to come up with a solution, fast," says Taylor, "so I called on The Lead Dogs. We've teamed up before on other projects, plus I knew they had worked with other departments within Microsoft Dynamics."

Based on their experiences working together, Taylor, a direct mail specialist, and The Lead Dogs, a company specializing in business-to-business telemarketing, developed customized integrated direct marketing programs for each industry (Manufacturing and Distribution), which they pitched to Wilkinson and McHale.

The program itself was pretty simple. Targeted recipients received a direct mail letter with a priority code they used to get the high-value offer. Once the lead came in, a Lead Dogs rep followed up with a phone call to qualify them based on Microsoft Dynamics' scoring system.

"The beauty of the program is it can be used to target specific industry segments with specialized messaging, lists, offers and follow-up, depending on the product line," explains Taylor. So, although each campaign was run independently, both shared the same components: a mix of external lists targeting the specific markets, a one-page direct mail letter, a high-value offer, Web response forms, and lead follow-up via telemarketing.

"We weren't sure what to expect," says McHale. "We viewed the program as experimental. We saw the potential of tying together the direct mail piece with the telemarketing because we had done direct mail before but never with any trained telemarketing follow-up. Once we saw the project quote, we realized the entire program wasn't going to cost much more than our previous programs."

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"The Lead Dog's response site is very fast. During high volume campaigns a company's website can get overloaded and cause slow response times. With The Lead Dogs, once prospects submitted the priority codes, they were able to download the offers in seconds."

Liz Taylor

President

Liz Taylor Marketing

The First Step: The Letter

Taylor wrote the control and test copy for the letters, all of which followed a similar format: tell the prospect what the offer is, describe the benefits of the offer, then give four ways to respond. Recipients could reply by faxing, mailing the reply in a postage-paid envelope, calling an 800 number or going online. Taylor used a plain #10 window envelope without a teaser, personalized laser letters, and first-class postage. "The strategy," she explains, "is to make the piece look like real business mail. Bulk rate postage, labels and teasers all say, 'Throw me away.'"

Working with Wilkinson and McHale, Taylor chose a mix of database and response lists based on SIC (Standard Industry Codes) and other criteria targeting the manufacturing and distribution industries. Demographics for both programs focused on manufacturers and distributors in the "mid-market," roughly defined as ranging in revenue from \$5 million to \$500 million. All "C-level" contacts were targeted, including CEO, CFO, CIO principal and other related executives.

The initial test mailings were each about 30,000 pieces. Despite tough economic timing, response was high enough to encourage more mailings.

Personalized Web Response Forms

Working with The Lead Dogs, the team developed personalized Web response forms. Generally, when prospects respond online, they often have to fill in a lot of information on the lead capture form. The Lead Dogs, using customized technology, were able to offer prospects pre-filled forms based on the recipient's priority code.

Here's how it worked: prospects went to a specific URL and then entered the priority code listed on the letter. After hitting the "submit" button, the prospect then viewed a form already pre-filled with his/her name, company name, title, and address. He or she then had to answer a few qualifying questions to download the offer. Manufacturing recipients could receive a Manufacturing Software Evaluation and Planning Guide; Distribution recipients an Inventory White Paper written by a distribution industry expert.

"The Lead Dogs have done a really good job with this technology," reports Taylor. "It saves prospects' time, it's more personalized, and it positively reinforces a company's image and brand. And, from a technical standpoint, The Lead Dog's response site is very fast. During high volume campaigns a company's website can get overloaded and cause slow response times. With The Lead Dogs, once prospects submitted the priority codes, they were able to download the offers in seconds."

Approximately 30% of the respondents chose to respond via the Web.

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Telemarketing Follow-up Pays Off

What really made the campaigns pay off, however, was the telemarketing follow-up. “We had done telemarketing in the past using internal resources,” says Wilkinson, “but had not used specific, industry trained telemarketers.” “It was the quality of The Lead Dogs telemarketing and their dedication to learning the unique pains of the distribution customer,” adds McHale, “that significantly increased the quality and the quantity of our released lead rate.”

Based in Austin, Texas, The Lead Dogs specializes in producing high-quality sales leads for business-to-business companies. They do this by training their call reps to talk “peer-to-peer” with CEOs, CIOs, IT managers and the like. Mike Wallen, CEO, explains The Lead Dogs philosophy: “We expect our clients to become partners with us. The more information they give our call reps, the more successful we are.” To that end, Wilkinson and McHale spent scheduled web sessions to go over their respective industries, competitors, language, trends and pain points with their Lead Dogs call teams.

Once a prospect responded to the letter, The Lead Dogs then followed up with a phone call in order to qualify the lead based on scoring criteria developed by the Microsoft Dynamics sales team. Leads that met a certain score were immediately released to the sales channel; those that fell below were put into the “nurturing” category and were then sent a monthly e-newsletter as a way of keeping Microsoft Dynamics top of mind.

“The Lead Dogs did a great job of talking intelligently to our prospects,” reports Wilkinson. “They could define prospects’ pain and then articulate this to the sales force.”

Consistent lead scoring resulted in better quality leads going to the sales channel. It also served to validate the high initial response rate, as the percentage of qualified leads was as high as or higher than other Microsoft Dynamics campaigns.

Online Reporting Shows Surprising Result

Another added benefit was the ability to view results in real time via The Lead Dogs’ online reporting system. According to Taylor, the ability to view both response and qualification rates by list and package gave her a powerful tool she could use to look below the surface of the campaigns. This way, she and the Microsoft Dynamics team could identify lists and strategies that performed stronger on qualification levels, even when the “up-front” response rates were lower than other segments.

“Although compiled lists were much lower on their initial response rates, we were interested to see these lists gave us better qualified leads,” says Taylor. “This knowledge is so important, because without it, you might actually drop a list that is really giving you more in terms of real sales action. The Lead Dogs also gave us anecdotal information, another important benefit in this campaign. With big-ticket technology, the sales cycle is so long that we almost never get the direct ‘back-end’ feedback that tells us what our response rates really mean in terms of sales. With the Lead Dogs’ qualification and sophisticated reporting, we got highly meaningful qualitative data on campaign performance – and we got it fast enough to recommend strategies for upcoming mailings.”

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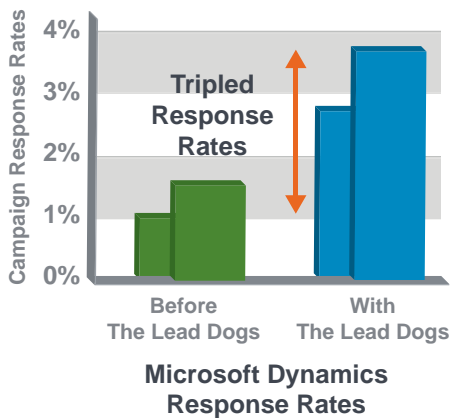
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Results Analysis

The two campaigns averaged response rates ranging from 2.6% - 3.6% -- effectively doubling and tripling the 1% to 1.5% rates Microsoft Dynamics saw with previous campaigns. Of those leads, 25% scored the highest lead qualification rating and were immediately released to the sales channel. All of this was accomplished on relatively limited budgets, with record low cost per lead investment. And, it was these quantifiable results that helped Wilkinson and McHale strengthen their case for increased corporate support, even during tough economic times.

"The campaign truly exceeded our expectations," says Wilkinson. "We were really impressed by the quality of the leads. When Liz first pitched us the idea of using what is basically an ugly letter combined with telemarketing to get better response, we were a little skeptical. But she was right. Both she and The Lead Dogs really know their stuff."



Taylor credits The Lead Dogs for going the extra mile. "It's The Lead Dogs who are really the stars of this campaign. They came through for us on an extremely tight timetable. Their performance exceeded the other out-source provider in every way – from better online response to the telemarketing qualification. They really gave our client more bang for their buck, all without it costing significantly more than what had been spent on previous campaigns."

About Microsoft Dynamics

Microsoft® Dynamics is a family of connected applications and services for small and mid-sized businesses. Scalable and customizable, these solutions are designed to help automate unique business processes and accelerate an organization's success. Developers play a key role by providing customizations, enhancements, vertical applications and integrations between their applications and our solutions.

About Lead Dogs

The Lead Dogs is a lead development company working with today's top business to business sales and marketing professionals to drive revenue by finding, developing and closing deals. Established in 1994, The Lead Dogs has built a solid reputation as the leader in demand generation and sales development for complex sales. The company's continued success is a result of their experienced and professional team and their proprietary and proven approach to building strong relationships with prospective buyers, staying tightly aligned with clients' needs and providing transparent visibility into results.

More Information

For more information on The Lead Dogs and our full range of services, visit www.leaddogs.com or contact a representative at (800) 710-2926 or info@leaddogs.com.