



TARGUSinfo[®]

HOW TO MAKE ONLINE LEADS EASIER TO REACH AND ENGAGE

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HOW TO MAKE ONLINE LEADS EASIER TO REACH AND ENGAGE

Executive Summary

With today's proliferation of mobile phones, landlines and e-mail addresses, companies have more ways than ever to reach consumers. But this cloud of contact points hasn't necessarily made it easier to reach leads — or to convert them into customers. How can you be sure that your online leads contain not only accurate contact information, but the *optimal* information needed to connect with and engage that lead?

Consider two tactics for making online leads easier to reach and convert: additional contact information and descriptive data.

Contact Information

When it comes to reaching and converting online leads, even if you have accurate contact information, it still may not be enough. You may have an accurate home phone number for someone who spends most of the day at the office. Or a landline number for someone who relies more heavily on a mobile phone.

Enhancing online leads with additional phone numbers allows you to contact leads more quickly. By reducing the time delay between lead generation and follow-up, you can reach consumers when their interest is at its peak and before they've had an opportunity to speak with competitors.

Descriptive Data

Consumers are bombarded with sales messages every day. To make a sale, you need to break through that daily noise with a message that zeroes in on a prospect's individual needs and situation. By using demographic data and other descriptive information to flesh out online leads, you gain the power to move beyond the anonymity of name, address and phone number. With a deeper understanding of your customers, you can make highly targeted offers, segment markets more effectively and engage consumers in more relevant conversations.

Enhanced leads are more valuable leads. By adding extra contact information and descriptive data to your online lead program, you can maximize its value. More of your leads will be reached, reached more quickly and converted to sales.



Introduction: Better Leads Lead to More Customers

As online marketing evolves, the race to reach prospects requires more speed than ever. Consumers have more choices today and the Internet makes it easy for them to reach out to many companies quickly. In many verticals, the pressure is rising to connect with consumers faster and with increasingly targeted messages.

This isn't just an issue for companies that buy leads. The online lead generation industry has to keep pace.

First, it requires taking care of the basics. To stay competitive today, lead generators need to operate above the baseline requirement of having accurate name, address and phone-number information for their leads.

Once that foundational expectation has been met, buyers and sellers of online leads can focus on setting themselves apart from the competition by going beyond the basics.

When leads are enhanced with multiple contact points, demographics and purchase behavior, the salesforce that receives those leads gains two key advantages: the capabilities to reach consumers more quickly and present more compelling sales messages to them. Such enhancements

improve customer acquisition for lead buyers and serve as an important competitive differentiation for sellers in today's fast-paced marketing environment.

Adding Contact Information Increases Conversions

Ten years ago, having a home or office telephone number was sufficient to reach many consumers who had submitted contact information online. Today, that's no longer the case.

Consumers typically have three or more telephone numbers — office, home and mobile. Even if a lead is pursued minutes after a consumer submits a contact form, the consumer may have provided a home phone number while they are still at the office.

When a consumer is ready to buy, being there is half the battle. But it requires getting there first, making that initial contact when interest is highest before other companies have had a chance to present a competing offer.

In today's fast-paced environment, a minute or two can spell the difference between a sale that goes to your agents and one that goes to a competitor.

A Second or Third Phone Number Improves the Odds

Last year, a lender hit an unnecessarily low ceiling for online lead conversions because other lenders were reaching many of the same leads within 10-15 minutes.

The lender needed to increase the likelihood that it could reach each consumer within the critical period of 30 minutes after an online loan application was submitted. It was exceedingly difficult to overcome the disadvantage of calling a consumer who had already heard from someone with the same rate.

The lender didn't have as large of a sales team as some of its competitors but it didn't want to just throw money at the problem by increasing its manpower. It thought about asking for two phone numbers on its Web forms but knew that the tactic would worsen its abandonment rates.

Instead, the lender started enhancing its leads with multiple phone numbers to give its agents another shot at reaching consumers and increase the likelihood that they would reach them before a competitor does.

In its first three months of enhancing leads, the lender has seen its conversion rate climb 6%. Getting to prospects first helps.

Strike While the Iron Is Hot

Companies in other verticals have also found that having multiple contact points for leads brings similar advantages of velocity. Even in sectors with less extreme competition in the race to reach leads.

Regardless of industry, prospects' interest is most intense right after they fill out forms requesting information.

For example, educational institutions have found speed to be essential because when consumers seek education online, they are making an emotional decision. If consumers don't get an immediate response, then those emotions can rapidly fade.

With this short window in mind, an online ad network recently started providing second phone numbers to help an online educational institution reach leads more quickly. The added contact points allowed the institution to contact more of the leads that it had already purchased on a Cost-Per-Lead basis.

The results showed up in the first-month metrics. The increase in opportunities enabled the institution to raise its enrollments and lower its Cost per Acquisition by over 45% for the initial two-month period of enhanced lead use.

As a result, the online educator gave additional lead generation business to the ad network.



Greater Descriptiveness Raises the Value of Leads

Online Forms Don't Provide Enough Information

When you buy an online lead, how much do you know about the person you'll be contacting? Online lead generators provide you with a name, a phone number and maybe an address, but generally don't tell you anything about who the person is or how to make your message relevant.

For effective targeting and segmentation, you need demographic, lifestyle or purchase-behavior characteristics.

A typical source for demographic data is forms from co-registration Web sites and ad networks. These forms may reveal age or gender but otherwise their data is so broad that it provides very limited segmentation and targeting value. And that's assuming that consumers always submit their true genders and ages.

For many companies, even if accurate information is given, it simply isn't enough information to understand who leads really are or how to market to them effectively.

Consider mortgages, for example. Age and gender don't reveal much about consumers' mortgage needs. Do they need a basic mortgage? Would they benefit from refinancing?

Financial institutions that use online mortgage leads benefit from verified demographic data that is specific to the household level. For example, by knowing a lead's current home-ownership status, a lender can determine which type of loan will best meet that consumer's needs and then tailor a specific offer.

Socioeconomic Data Raises Conversions

The approach has worked just as well for a company that buys automotive leads. The company enhances its leads with general socioeconomic data so it can segment its offers.

Using socioeconomic profiles to group consumers into four segments, the company has devised an efficient plan of pursuit:

- Consumers in the top group receive calls from agents offering deep discounts on top-of-the-line products.
- Agents call the middle two groups with less aggressive offers.
- The fourth group gets a standard direct mail piece.

These targeted offers have not only improved the conversion rate, but also allowed the company to improve the way it measures its marketing efforts. Instead of looking at only Cost per Lead or Cost per Acquisition, the company can now determine whether it is in fact acquiring leads that are in its "sweet spot."

Prioritize Leads

With socioeconomic information in hand, this same company has been able to prioritize leads and lead suppliers more efficiently.

The automotive leads buyer knows which leads are more likely to convert and should be contacted first. The company also knows which sources are providing the most leads that fit its “sweet-spot” customer profile. With this knowledge, the leads buyer has increased its purchase of leads in profitable target groups.

Improve Modeling

The more you know about your current customers, the easier it is to identify prime prospects. An easy approach to customer modeling begins with appending demographic and other data to customer records. The resulting customer profiles allow you to analyze what potential customers look like and rank the groupings in order of desirability.

With this analysis complete, you can see where each incoming lead ranks and prioritize your pursuit. From an operational standpoint, profiles can also make your efforts to close each lead more predictable.

Profile Categories

Lead generators can drive premium value from demographic information, but sometimes lifestyle and purchase-behavior data can be even more actionable. A lead can be enhanced to indicate a consumer’s likelihood to own, buy or use any of thousands of products or services. Examples of available categories include:

- Insurance and Investments
- Leisure Activities
- Automotive Products
- Automotive Services
- Media Usage
- Banking and Finance
- Cable Television
- Over-the-Counter Drugs
- Personal Services
- Electronics
- Restaurant Chains
- Energy
- Sporting Goods
- Travel
- Home Furnishings
- Video (Cable, Satellite, VCR, DVD, etc.)
- Home Improvement
- Wireless Telecommunications
- Home Office Technologies
- Database Wireline Telecommunications
- Insurance
- Attitudes
- Yellow Pages Usage



Enhanced Leads Help Your Company Stand Out from the Crowd

Today, online leads can be much more than just a cold set of names, addresses and phone numbers. By enhancing leads with multiple contact numbers and descriptive data, you can gain much-needed insight into your customers, identify which kinds have the highest value and discover where to find more of them.

Understanding who consumers are, what they are interested in and how they make purchase decisions can empower companies to provide the personalized marketing experiences that consumers desire and that will raise their marketing efforts head and shoulders above the crowd.

About Paul McLenaghan

Paul McLenaghan is the Director of Market Development for the Interactive Markets Division at TARGUSinfo. Paul manages sales and business development initiatives in the online marketing industry and contributes to the development of TARGUSinfo On-Demand Lead VerificationSM solutions. He has more than 10 years of experience in consulting, sales management and market development positions, which he uses to craft high-impact business solutions for TARGUSinfo clients. Paul is also an active member of the Internet Advertising Bureau's Lead Generation Committee and is currently engaged on a project to develop industry standards for lead quality. As part of this project, Paul was integral in the creation of the Internet Advertising Bureau Marketer & Agency Guide to Lead Quality.

About TARGUSinfo

TARGUSinfo is the trusted source for name, address and phone data that organizations use as they interact with prospects and customers. With the right knowledge at the right moment, our information services help organizations increase revenue, create more satisfying experiences and produce savings from new efficiency.

Whenever organizations need it, we deliver the most up-to-date consumer and business information possible. We enable them to ensure quality for lead generation, treat unknown prospects like longtime customers, provide Caller ID and Enhanced Call Detail, add confidence to risk-management decisions and make call routing more accurate and reliable. Millions of times every day, businesses rely on our data for transactions initiated by their prospects and customers, whether they are over the phone, on the Web or at the point-of-sale.

To provide this unique level of service, TARGUSinfo has built a foundation of data from the nation's telecommunication providers, making our information exceptionally precise, relevant and actionable. Drawing from a proprietary network of over 90 data sources, TARGUSinfo uses patented processes to link together the most complete and accurate name, address and phone data possible. Those linked elements also connect to information such as demographics, location, predictive buying behavior and risk-assessment factors. A real-time query-and-response network delivers this exceptional data to TARGUSinfo customers in sub-second speed, whenever our customers need it.

A privately held company, TARGUSinfo is headquartered in Vienna, Va.



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