

Lead Generation Outsourcing in the Life Sciences B2B Sector

A Comprehensive Guide for Pharma/Biotech, Food/Beverage, & Personal Care B2B Companies Considering Lead Generation Outsourcing

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A major challenge facing life sciences companies today is how to build a pipeline of quality. Lead generation as a service is a viable option for companies looking to improve sales staff productivity. Utilising a variety of proven methodologies to attract and draw prospects into a company's sales funnel, lead generation outsourcing allows companies to instead focus on lead nurturing as opposed to top of the funnel activities. In this note, Dr. Enosh Mwesigwa, Principal Consultant at Scienopsis, explains how life sciences B2B companies can best navigate lead generation outsourcing as well as the benefits of taking this strategic move.

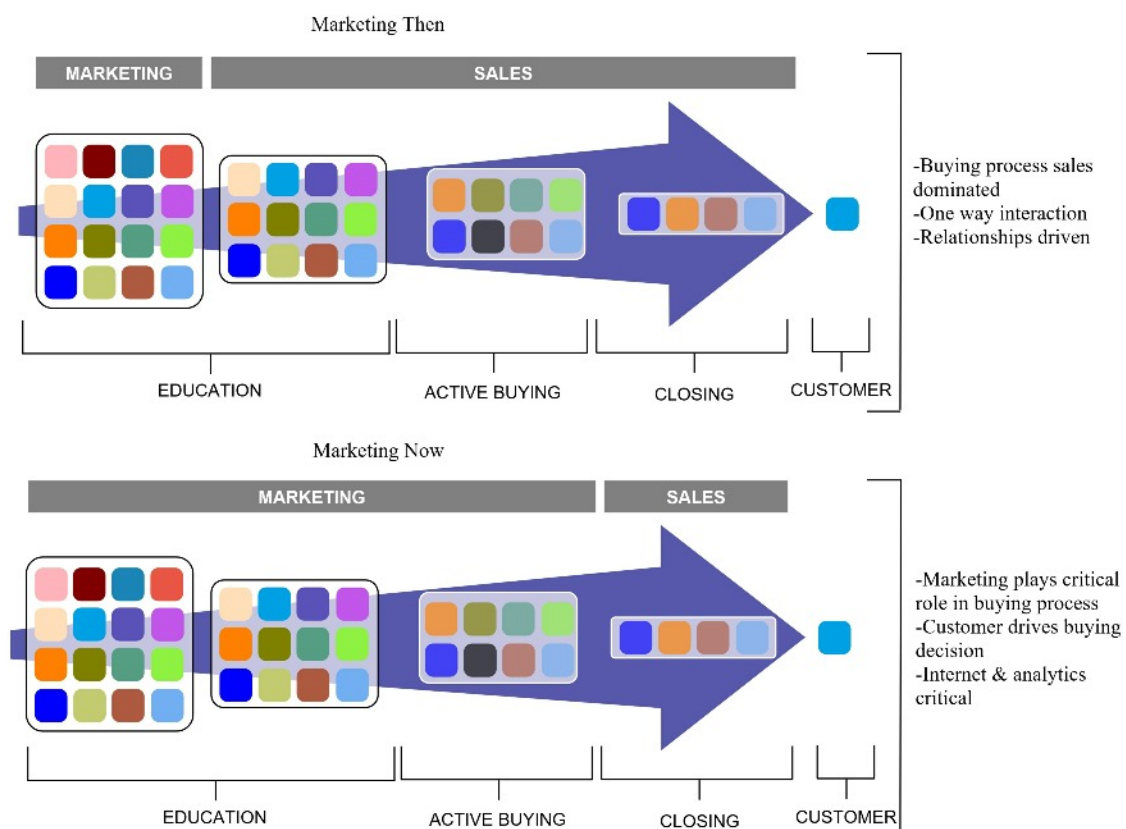
All Change Please

In the life sciences technical marketing field, generating leads and building future sales is painfully difficult but essential. Attracting new interest, never mind the right leads, and converting them into a sale, demands grit and perseverance.

In the days gone by, firms mostly relied on traditional methods of business development, leveraging personal relationships, to generate leads or upsell to existing customers.

But as information has now become more accessible a new type of buyer has emerged: independent-minded, preferring to do own research about a brand before contacting a company's sales department. This is why marketing communications now play a bigger role in educating customers on their purchasing journeys

In responding to this dynamic, smart life sciences marketers are focusing on getting found through educative marketing communications, building a relationship with a prospective buyer from then on rather than going out to find prospects the analogue way. This is depicted in the figure below:



Lead Generation and the Purchasing Process

The contemporary view of lead generation is that buyers are on a journey that 'follows' a series of steps leading to a purchase. The two frameworks used to conceptualise this view are the buyer's journey and sales funnel, described below:

The Buyer's Journey

The buyer's journey is a conceptual roadmap that prospects follow leading up to purchase of technical products. As a model for visualising the sales process from a buyer's vantage point, the buyer's journey is important for understanding how, when and where to reach-out to strangers and convert them into customers.



A detailed look at the different stages in the buyer's journey is as follows:

1: Awareness — in this stage a prospect becomes aware that there's an issue that needs sorting. The issue's symptoms are known but not how to resolve them. The marketer's role is to educate prospects about the issue without necessarily trying to sell directly to them.

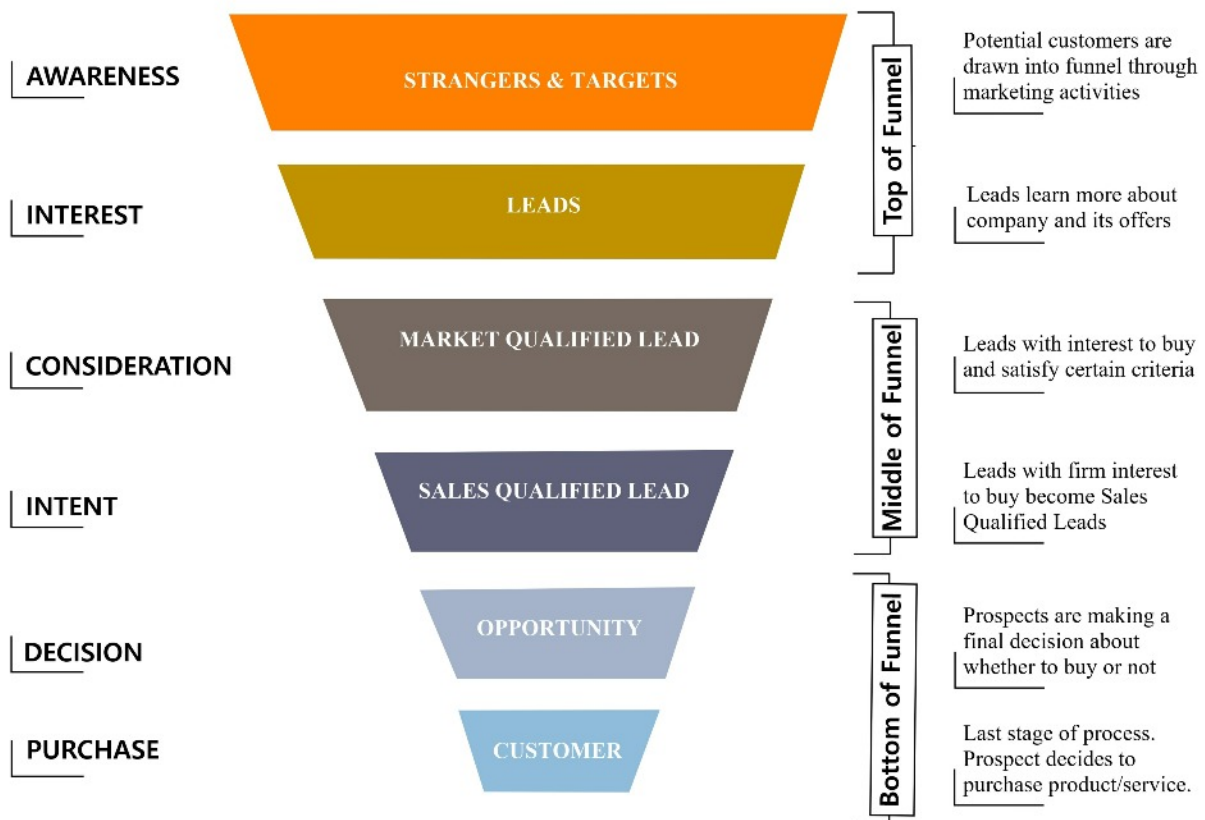
2: Consideration — with a clearer understanding of their issue, prospects begin to look at available options, solution providers and courses of action. The marketer's role is to avail material that enlightens buyers about solutions and options available.

3: Decision Stage — once a prospect has agreed on a given solution, the next stage is for them to try out, negotiate prices or purchase the solution. The company's role here is to assure the buyer that they're the most qualified solution provider. Marketers should aim to provide information that reassures buyers about the validity of the solution selected in order to close the sale.

By understanding customer journeys, marketers are more able to tailor communications with customers and to reduce buyer inertia for a smoother buying journey.

The Sales Funnel

The sales funnel refers to the idealised buying process that companies aim to lead customers through when purchasing products. The sales funnel differs from the buyer's journey in that it looks at the buying process from the viewpoint of the seller. Sales funnels are divided into five stages:



Let's examine this briefly by looking at the different stages in this framework:

1: Awareness - Is the stage when prospects the company doesn't yet know about, or hasn't spoken to, are nevertheless aware of the solution provided by the company. Although these prospects are not yet qualified, they are still worth pursuing.

2: Interest - In this stage, the prospect recognizes solutions a company has on offer, and, proceeds to express interest to know more. At this time, the company makes contact with the prospect, and there's mutual agreement to proceed to the next step.

3: Consideration/Intent - Is the stage when the prospect evaluates how a company's solution compares with that provided by the competition. Since they are closer to the final decision, they want to make sure that all options have been considered carefully.

4: Decision - At this point, the prospect has evaluated all options and decides to choose a particular solution. This is the stage they move to the final phase, i.e value exchange.

5 Purchase - This is the stage for when the transaction is finalised. The prospect effectively becomes a customer.

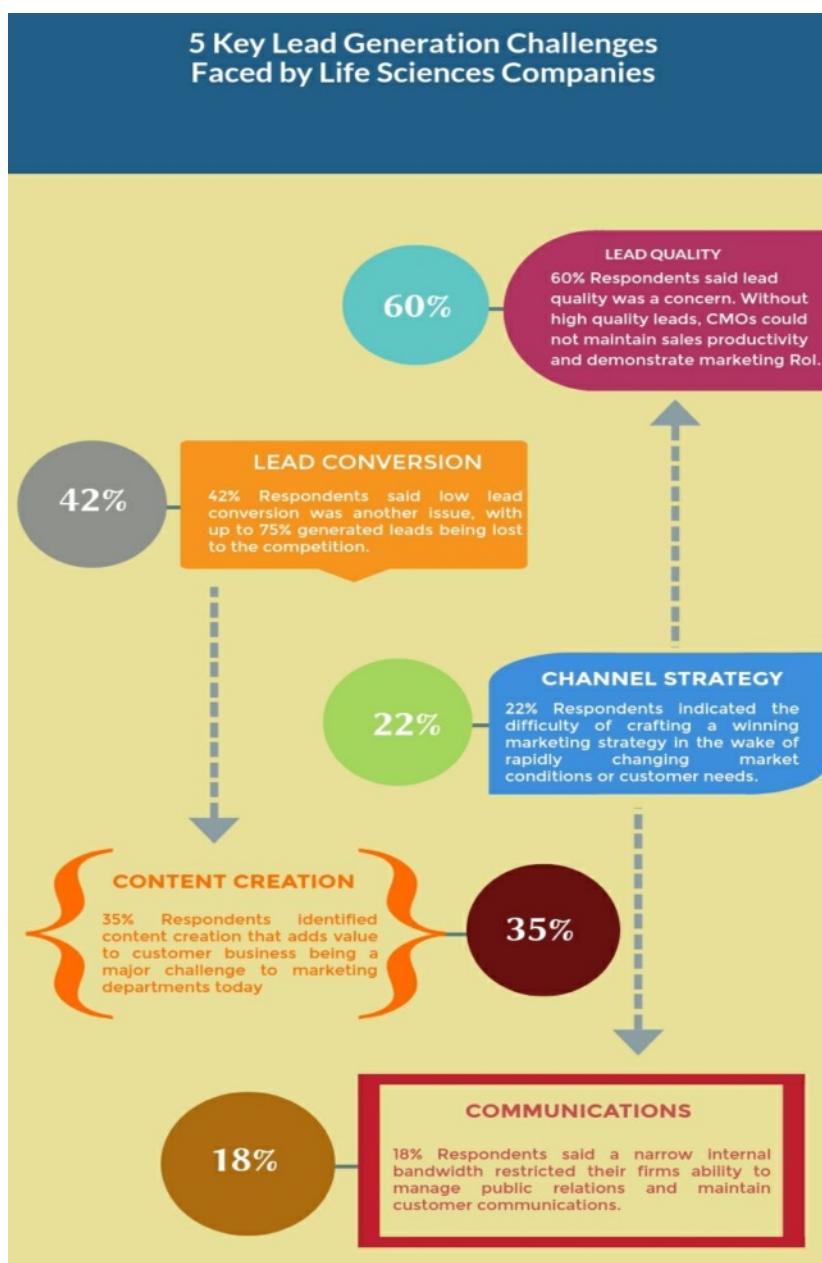
Scienopsis' own research shows that typical buyers in the life sciences will be anywhere from 60% to 90% through their buying journey before ever contacting sales professionals. With easy access to information, buyers can afford to delay speaking to sales until they are 'experts' themselves.

Additionally, there's no guarantee that a prospect entering a marketing funnel will become a customer. Leads can get snatched by more agile competitors. This is the reason marketing efforts should continue through the funnel, to nurture leads and build relationships that earn their trust in a company's offers.

Challenges and Barriers to Effective Lead Generation

Life sciences marketing managers say their biggest challenge today is building quality leads as an antecedent to strong future sales.

The infographic below provides a summary of the five most critical challenges faced by marketing executives within the life sciences:



Furthermore, we're finding that nearly half of the life sciences B2B companies agreeing that building brand awareness and accurately measuring marketing ROI are challenges.

A further one-third say they do not track sources of leads, which hinders their ability to convert them into customers.

In the same study, we found that the major barriers to quality lead generation included resource constraints, budget limitations and a lack of high quality data to drive campaigns, as summarised in the infographic below:



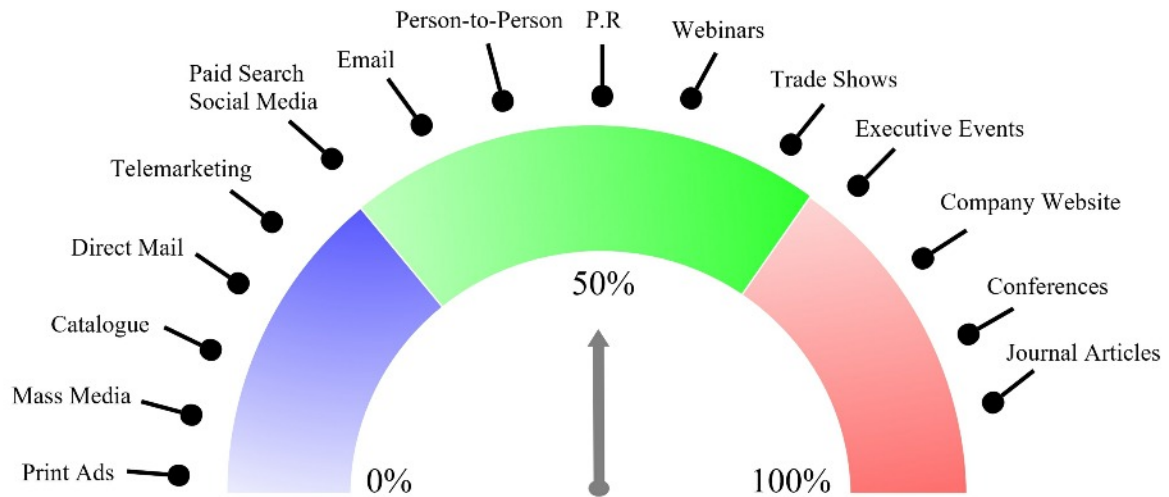
The Most Effective Lead Generation Tactics in Life Sciences B2B Marketing

For life sciences marketing, lead generation tactics can be broadly grouped into two: online vs traditional.

Online or inbound lead generation tactics, which include content marketing, social media and email marketing, are cost-effective and highly interactive, have revolutionised how new customers are found.

Traditional lead generation tactics, which include mass media adverts, trade shows and cold calling, while expensive and time consuming, they're best used for strengthening relationships built through online lead generation.

A comparative assessment of the effectiveness of different lead generation tactics, based on a survey of 89 life sciences companies, is shown below.

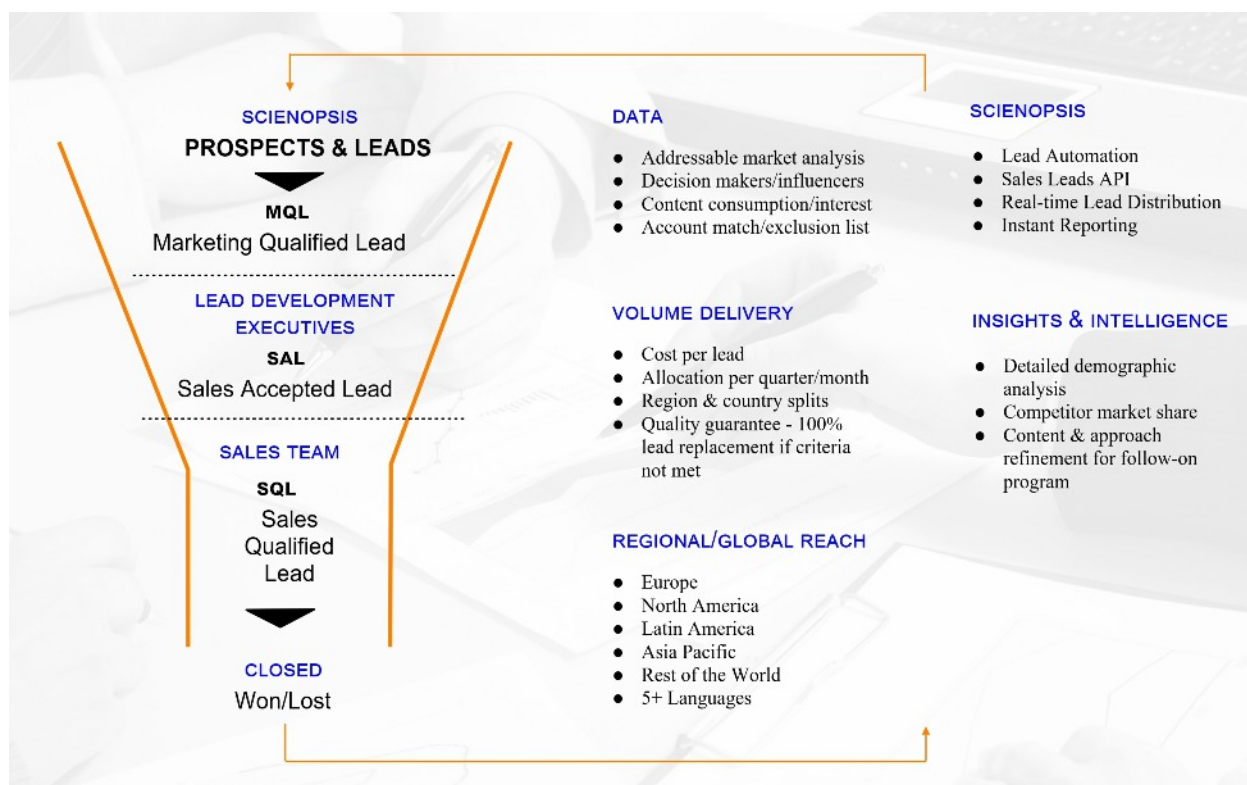


The Most Effective Lead Generation Tactics in Life Sciences B2B Marketing

Lead generation services are specialist technical marketing companies that aim to generate leads to life sciences companies. The goal here is to draw and nurture interest in a given offer using a variety of tactics, such as inbound marketing, webinars and carefully-designed events.

Lead generation service providers ensure a client's sales team productivity is maintained, saving internal staff valuable time and resources to focus on lead nurturing rather than top of the funnel activities, reviewing prospective customer lists and cold calling.

Companies like Scienopsis employ methodologies predicated on building trust and interest in a client's brand well before they are even ready to contact sales. This way, the quality of leads brought are exceptionally high, which guarantees higher conversion.



5 Reasons Why Market-Leading Life Sciences B2B Companies Outsource Lead Generation

In the vast majority of life sciences businesses, internal sales and marketing teams are often fully involved with servicing existing customers, chasing renewals or upselling, which often leaves little time and resources for lead generation. Let's not forget - quality leads need time and energy. This is why keeping and nurturing the top of the sales funnel with quality new sales leads is challenging for a busy sales and marketing team.

The following are the top five reasons why companies consider the option of outsourcing lead generation:

1. Higher Sales Productivity

Outsourcing lead generation for the top of the sales funnel frees up internal sales and marketing resources to focus on middle of the sales funnel activities. The financial burden of hiring extra staff or bringing staff up to speed is also minimized while at the same time companies are able to achieve top line growth milestones. With the right outsourcing lead generation partner, a life sciences company is able to tailor capacity and funnel size to fit its growth targets or financial resources.

2. Higher Lead Conversion Rate

Using an outsourced lead generation partner not only improves the volume of leads it also increases their quality. This comes from better targeting and qualification, which allows clients to complete more sales within in a specific time frame.

At Scienopsis, every engagement starts with pre-agreed project objectives, with specific criteria for qualifying leads. This way, our clients only receive leads that have a much higher conversion rate, helping them stay one step ahead of their competitors.

3. Faster Access to Expertise

The option of hiring a brand-new internal sales team to handle leads generation takes time and is not cost-effective, unless of course a company is of a certain size. That said, unless the new hire has prior experience of lead generation, on-boarding and getting them up to scratch requires up to a year - time no company has in these fast-paced market conditions.

Technical marketing agencies have the expertise and appetite to find solutions to a wide range of lead generation challenges. They are not constrained with internal politics, resource limitations or culture. This is why partnering with an outsourcing lead generation company allows companies to instantly access expertise, speeding up new customer acquisition.

4. Ability to Track Results

For businesses of all sizes and stages of growth, understanding data and using metrics to make data-driven decisions are both critical to ensuring the firm's financial health remains tiptop. Marketing metrics are especially important for generating information to improve effectiveness of marketing campaigns and overall RoI.

One of the key benefits of using a specialist lead generation partner is that clients are able to receive timely, meaningful and actionable analysis of each new lead and opportunity. By aggregating data from the various touch points, clients get a comprehensive overview of customers' needs and the service and support they need.

5. Higher Customer Satisfaction

Standing in as an extension of clients' internal sales and marketing function, the right lead outsourcing partner can help ramp up customer follow-up, greatly increasing customer satisfaction. Pre-occupied with critical renewals and upselling opportunities, internal sales teams might not have the time to follow-up with new inquiries or thoroughly qualifying leads. This is where an outsourced lead generation service provider can make a real difference, particularly as their compensation depends on it.

Lead Generation Outsourcing Process

Just like choosing a new business partner, hiring an outsourced lead generation provider requires due diligence. Credentials need authentication, references verified, and the realities of transferring responsibilities to an external company carefully considered. We've listed here below a four step process that companies can use:

1: Assess your requirements

The first step to outsourcing lead generation to an external contractor is to undertake an internal gap assessment. The idea here is to identify particular areas where your own lead generation efforts are falling short and the areas that need support.

Typical areas for assessment include capabilities in persona definition, segmentation and targeting, automation, middle of the funnel marketing, follow-up, or metrics. Below is an example of a needs assessment that a company may undertake:

Element	State	Desired	Gap	Actions	Contingency	Investment (\$)
Defining Personas	1	5	4	External	Budget	5000
Database	3	5	2	Purchase	Budget	12000
Automation	4	5	1	New CMS	IT Buy-In	0
Metrics	3	5	2	External	Metrics	25000
Integration	4	5	1	Internal	Integration	0
Follow-up	3	5	2	1 FTE	Follow-up	45000

It is good practice to share results of the gap analysis with potential outsourcing partners so that they are aware of your priorities and concerns.

2. Identify a lead generation partner

After the gap assessment is undertaken, the next step is to identify the right partner to work with. It is critical that you have a checklist of qualities sought in the partner. Firms should seek specific experience in lead generation combined with domain expertise of the life sciences field that applies to their particular business activities.

Some of the questions that can be used to vet potential lead generation partners are:

- The length of time they have been in existence as a business and the experience they possess in your field
- Specific examples of companies (with contacts) that they have previously assisted and the results obtained
- The consulting process used to identify and define problems, derive and implement solutions and the systems for reporting and evaluating outcomes.

3. Implementation

Once the vetting and identification process have been done, the next step is to enter into partnership with the outsourcing lead generation company formally.

However, bringing on a new partner is just the start. Successful implementation of lead generation outsourcing demands data management, change management, communication and change management to ensuring successful transitioning to a new system of working.

This is why companies and their outsourcing partners should emphasise a collaborative approach that allows them to closely monitor the business-side of implementation.

4. Monitoring and evaluation

Ongoing monitoring and evaluation are essential for ensuring that the scope, quality, scale/coverage, and outsourcing outcomes are aligned with what was agreed. Monitoring involves the collection of information to track performance against a set of indicators while evaluation is about determining the value obtained in relation to agreed goals.

When you choose the right lead generation partner, the steps involved in your collaboration are clearly defined, which allows you the tracking of engagement methods and prospect types.

Summary

Outsourcing lead generation in the life sciences sector has been shown to be up to 50% more effective compared to doing it in-house. Those agencies with huge cross channel capabilities and a solid understanding of life sciences are particularly effective at connecting with prospects in more powerful ways than those without.

For the life sciences B2B sector, outsourcing lead generation is especially effective because of the way purchasing decisions are made. Outsourcing partners that market to key people across a variety of media platforms, from paid advertising, to content marketing and inbound, often have the best chances to attract customers at critical stages their buying journeys.

Finally, while the decision to outsource lead generation is ultimately down to individual firms and only they can make the decision, it is worth remembering that only a selection of sales and marketing functions are being outsourced. And because lead generation is in almost all cases a drain on internal resources, outsourcing it only bring benefits at a minimal cost outlay.

ABOUT SCIENOPSIS

Scienopsis is a specialist London-based, full-service technical marketing agency that assists life sciences B2B companies with sales and marketing implementation of technically complex products, solutions and technologies.

We are experts at crafting winning marketing strategies, PR & content marketing, customer events, trade shows, experiential, webinars, sampling and, lead generation, contract/outsourced sales and marketing services, that unlock deep loyalty and customer acquisition.

Our core clients are manufacturers and distributors of excipients, fine ingredients, technologies and solutions for pharmaceutical, cosmetic and food sectors.

If you'd like to learn more about any of our services, please, please contact us for a confidential, no obligation consultation.



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