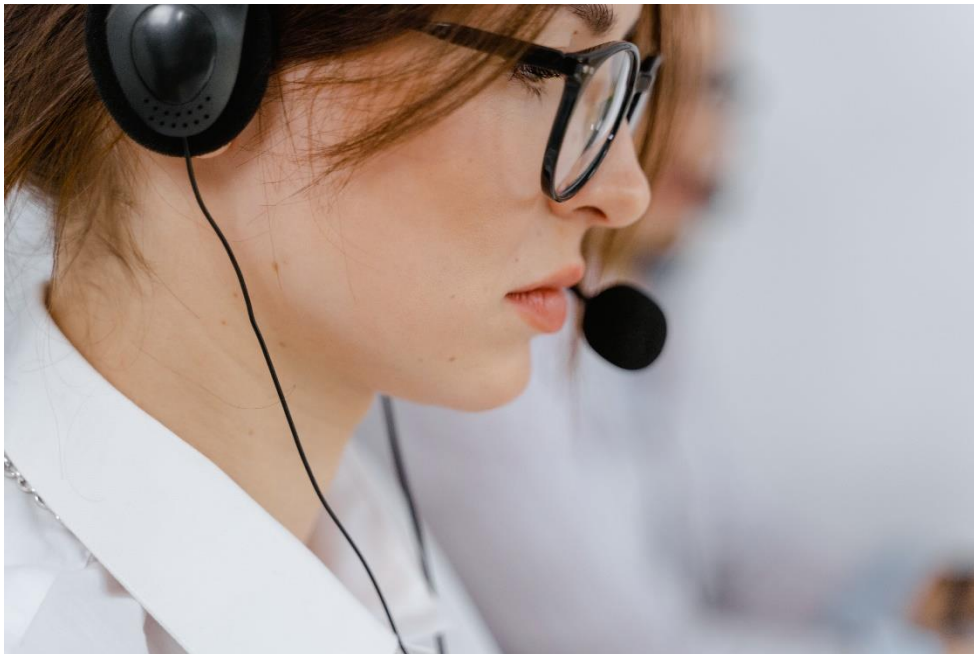


## The Value of Lead Generation in the Life Sciences Industry

### What Is Lead Generation?

Lead Generation is a pre-sale practice employed by business-to-business-focused organizations to qualify leads. It acts as a bridge between the marketing and sales departments, kindling a relationship with potential buyers before passing the baton to the sales team.

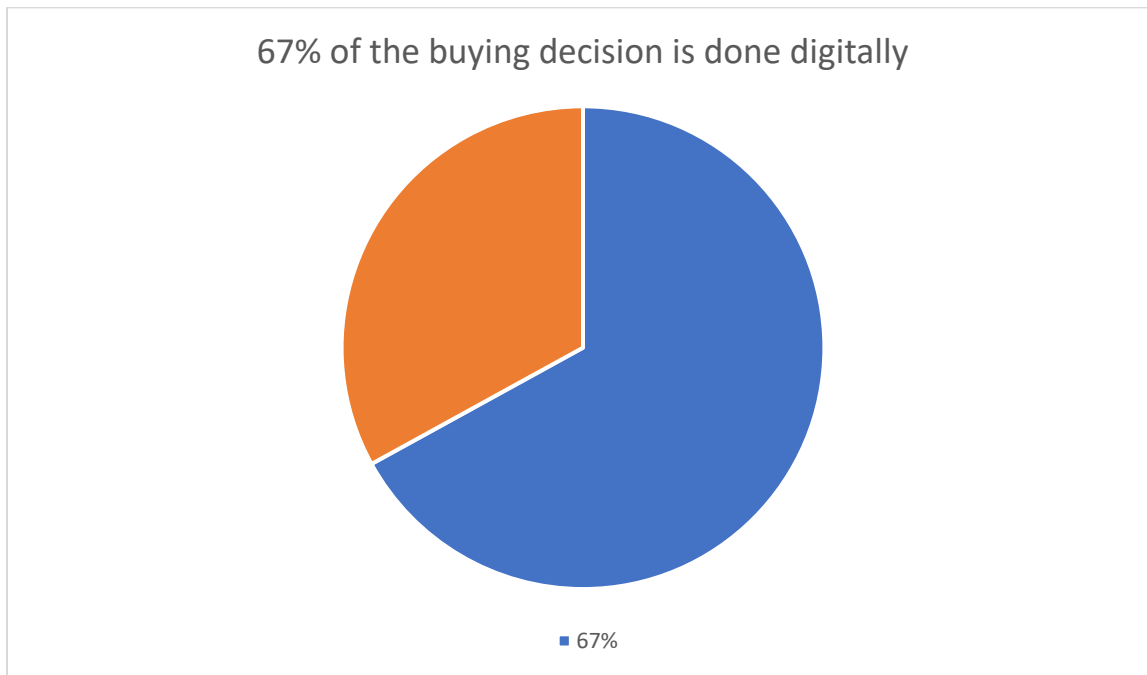
As the prefix suggests, Lead Generation is done over the phone.



*Lead Generation is done over the phone*

### Is Lead Generation Obsolete?

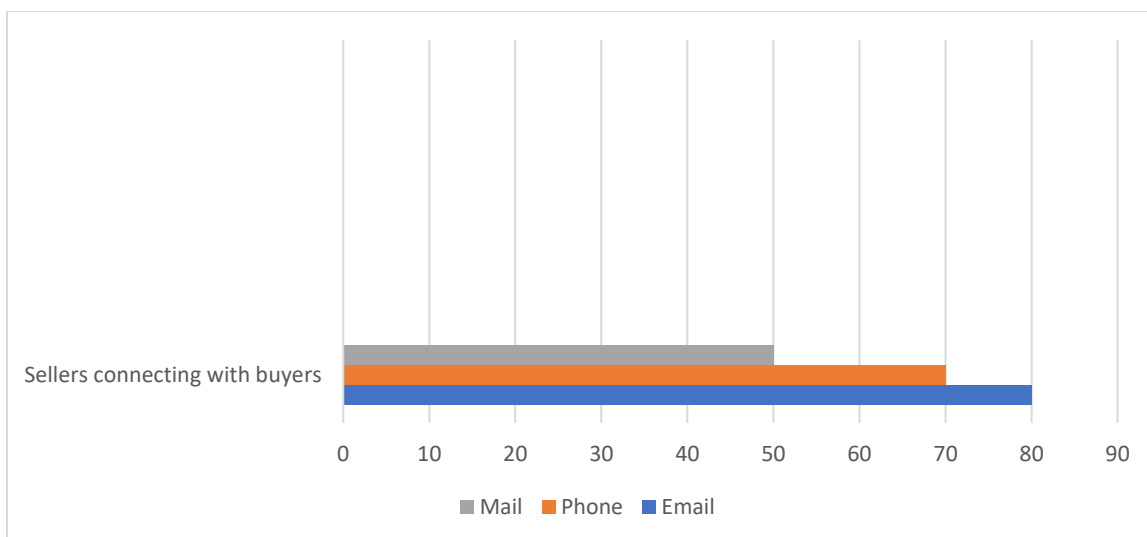
While Lead Generation still bears a lot of relevance, some sellers dismiss it as obsolete. After all, 67% of the buying decision is now done digitally.



While it's easy to conclude that cold calling practices such as Lead Generation are dead, it's a wrong presupposition.

Research carried out by RAIN Group invalidates this opinion and reinforces the value of Lead Generation in B2B. The researchers interviewed [488 buyers from 25 industries and 489 sellers from 26 industries](#) intending to find out the value of Lead Generation in the buying process.

The research revealed that 70% of sellers connect to buyers via call. This is only second to email at 80%.



Other key findings from the report are:

- 71% of buyers want to hear from sellers when they're looking for new ideas for their business. For example, if a pharmaceutical company is considering increasing its product offering, there is a 71% chance that they would like to hear from a manufacturer or seller who can advise or enlighten them on viable alternatives. This, hence, demonstrates the importance of Lead Generation in creating new business relationships.
- 62% of businesses would like to hear from sellers at a time when they are seeking to fix something that's not working correctly. For example, a biotech company might be looking to increase the efficiency of its production line. During this period, they might want to hear from a contract manufacturing organization that can help them achieve better production efficiency.
- 57% of C-suite buyers and vice presidents prefer to be reached via phone. This number is more than the percentage of directors and managers – 51% and 47% respectively - who prefer to be contacted via phone.



*C-suite buyers and vice presidents prefer to be reached via phone*

### How Is Lead Generation Conducted? Is It any Different from Telemarketing?

Both Lead Generation and telemarketing practices involve calling prospects. However, they play different roles in the marketing strategy. Consequently, they're also measured using different metrics.

Telemarketers call prospects with a single goal of selling to them. They often have a large database of prospective candidates who they call intending to market a specific product. This practice is common with business-to-consumer (B2C) models.

On the other hand, Lead Generation is analogous to business-to-business-focused organizations (B2B). Unlike telemarketers, Tele-prospectors call potential prospects to foster a new business relationship and assess whether the leads are the right fit for their products.

Simply put, Lead Generation takes a long-term approach, aiming to get a clearer picture of each customer’s needs and to build a relationship with the lead before passing them on to the sales team.

Lead Generation	Telemarketing
Qualifies cold or previously generated leads	Aimed at generating leads
Takes an open dialogue approach. No formal call script is required	Follows a formal call script
Takes a long-term approach	Promotes one product continuously
Focuses on gathering information	Focuses on sharing information
Takes a business-to-business approach (B2B)	Takes a business to customer approach (B2C)
Requires highly trained staff	Entry-level salespeople can do telemarketing calls follow a tight script

### *Lead Generation Vs. Telemarketing*

### **What Is the Value of Lead Generation in the Life Sciences Industry?**

There is a consensus that every business needs to keep generating new leads and retargeting existing leads in one way or another. For instance, a cosmetics manufacturing company needs to reach more businesses to help them distribute more products. However, many scientists underestimate the importance of doing this and single-mindedly focus on creating and innovating new products.



*Scientists focus on creating and innovating, neglecting lead generation*

While doing this can help companies to offer better products and services to their consumers, it may hurt the business financially in the long term.

The problems associated with this approach are twofold. For starters, for a business to stay in business, it needs to make a profit, one way or the other, and making more sales is often the solution.

Secondly, for companies in the life sciences sector to reach their objectives of improving the lives of organisms, they need to reach as many individuals as possible. Lead Generation is one of the ways to do that.

### [The Role of Lead Generation in Lead Generation Marketing Strategies for Organizations in the Life Sciences Industry](#)

Including Lead Generation in a lead generation marketing strategy can significantly improve a company's conversion rate and bring in more profitable income.

First off, Lead Generation aligns the marketing and sales team. In the absence of Lead Generation, it's common for the marketing team to feel like the leads they send over to the sales team are not contacted as often as they should be. On the other hand, the sales team can feel like the leads received are not good quality leads and are, therefore, not worth spending resources on.

Tele-prospectors call the leads generated by the marketing department and qualify them before passing them down to the sales team.

The life sciences sector stands to benefit from Lead Generation in numerous ways as discussed below:

#### [Increased brand awareness](#)

It is standard practice for Tele-prospectors to introduce the company and its offering to the prospect who may decide to purchase from the company down the line when they run into a need that can be solved by what the seller offers. Additionally, they can refer the buyer to other businesses that might be interested in the same products.

#### [Effective resource utilization](#)

Lead Generation ensures proper utilization of company resources. By conversing with prospects, the company can discern between potential clients and those who aren't a good fit for the company. The company, therefore, spends less effort and resources chasing leads that aren't likely to convert.

#### [Growth opportunities](#)

Lead Generation can help companies in the life sciences sector to identify gaps in the market.



Besides marketing to the prospect, Tele-prospectors pay attention to their anxieties, needs, and dissatisfaction during the conversation. This can inform their future expansion strategies depending on the magnitude and frequency of the problem identified.

#### Fine-tuning the overall marketing strategy

If the majority of leads that the Lead Generation team reaches are out of the target market, then this can prompt the marketing team to adjust aspects of the marketing strategy to ensure that they reach leads who are more likely to convert.

#### Increased conversion rates

According to the research conducted by RAIN Group, most C-level and VP buyers prefer to be contacted via phone. Lead Generation with senior-level executives can increase your lead conversion rate because most high-impact decisions are made at that level.

#### What Role Does Lead Generation Play in the Sales Process?

From the same research carried out by RAIN, it was evident that sellers control a lot of the factors that raise buyers' proclivity to make a purchase.

Some of those factors and how Lead Generation can positively influence a buyer's decision include:

##### Education

There is often a gap between perceived need and desired results. A buyer might not immediately identify that they need a product until they learn about the results they can achieve with that product. This, therefore, calls for proactive product education to bridge this gap and help buyers connect their desire to your products.

##### Budget

Everyone knows it. The rule of the game is to keep costs as low as possible while maximizing profits. Meaning that most prospective buyers don't have unallocated budgets to experiment with new opportunities.

This is where Lead Generation comes in. Calling potential prospects helps companies to understand their customers' pain points and aspirations. With those insights, Tele-prospectors can then present their company's products in a way that inspires the buyer to make the purchase. Furthermore, most C-level executives can tell a great opportunity and invest if they feel inspired.

##### Familiarity

Humans are inherently cognitively biased. One such bias is familiarity bias. Also known as the familiarity heuristic, familiarity bias leads people to gravitate towards things and people that're familiar to them.

Lead Generation is a clever step to introduce in your marketing strategy to plant seeds of familiarity in prospective buyers. Below are two ways that you can leverage familiarity bias through Lead Generation:

#### Multiple interactions with your brand

The more familiar customers are with your brand, the more likely they're to purchase from you. This explains why most marketing strategies involve multi-touch campaigns. Such campaigns aim at interacting with the buyer as many times as possible. Some of the channels used for multi-touch advertising are social ads, display ads, and paid searches.

Lead Generation can provide additional interaction with potential buyers, which might just tip them over to buy from you. If anything, a call is a more effective touch in comparison to digital advertising since you can interact at a level void of all media influences on a buyer's personality and perceptions.

#### Mutual connections

Sharing mutual connections also influences whether a prospect will connect with a buyer. Tele-prospectors use this to their advantage by seeking to be referred to decision-makers in target companies by mutual connections.

An effective Lead Generation call takes care of the above factors. Even if the targeted buyer does not make a purchase immediately, they're more likely to purchase from you down the line based on the relationship and familiarity built in the Lead Generation call.

#### Making the Most Out of Lead Generation

Whenever call-based marketing practices are mentioned, people form an image of a salesperson going through a long list of contacts, making call after call, with a singular goal of checking as many names off the list as possible. While that is true of telemarketing, Lead Generation takes a more sophisticated approach.

A life science company looking to qualify prospects through Lead Generation would first carry out strategic assessments of the target businesses ahead of the actual call. Tele-prospectors don't need a formal script during a call, unlike telemarketers. Instead, all they need to do is direct the call toward the desired direction as they make conversation with the prospect.

Below are some best practices for successful Lead Generation:

#### Have a goal

Having a goal is essential as this will dictate where the Tele-prospector should put their efforts. Say Company B is looking to penetrate the EMEA pharmaceutical market, then it would be more prudent to focus on leads based in that region instead of calling every lead, including those from other geographic locations.

This focus produces a more effective marketing campaign with a higher ROI.



## Plan ahead

After assessing the company, formulate a plan on where you would like to steer the conversation before calling. As discussed earlier, most Tele-prospectors don't follow a formal script. However, they ought to plan the direction of their conversation to make sure that they can provide as much value as possible to the prospector and that they don't miss out on any opportunities that might be there to do business with the prospect.

## Focus on building relationships

Lead Generation, unlike telemarketing, is more relationship-focused than sales-oriented. Tele-prospectors, therefore, need to be empathetic, understanding, friendly, and listen actively to cultivate a relationship with the person on the other end of the line and pick up on potential synergies. A good relationship can lay a solid foundation for future collaborations and sales agreements with other businesses.

## Understand your offering

The main aim of Lead Generation is to find common grounds between two businesses whereby the seller can satisfy the buyer's need or solve a problem for them. For that to happen, Tele-prospectors need to know their products and services intimately so that they can, first identify possible pain points to resolve and, secondly, identify future opportunities.

## Provide value

The RAIN Group research reported that [58% of the buyers found sales meetings valueless](#). A transaction can only happen when two parties can exchange value. Therefore, it is crucial for Tele-prospectors and the sales teams to provide as much value as possible. One of the surefire ways to do this is by researching the buyer, identifying how both businesses can benefit from a relationship, and then tailoring your communication to demonstrate this.

This will help you demonstrate how you can address their pain points, solve their problems, or meet their desires.

## Set up a follow-up interaction

In addition to warming leads, Lead Generation calls also set the stage for the sales team. In most cases, the next step after a Lead Generation call is a call or meeting with the sales team. Therefore, towards the end of a Lead Generation call, the Tele-prospector should prompt the potential buyer for a commitment to the next step.

This should be done tactfully, for example, by employing open-ended questions such as 'When would be the best time for our sales team to meet you next week' instead of 'Is it okay if our sales team sets up a follow-up meeting?'



### *Make the prospect commit*

Making the prospect commit to the next step advances the prospect further down the sales funnel.

### **Do Businesses in the Life Sciences Industry Need Lead Generation?**

Lead generation is the process of attracting new prospects to your business and nurturing their interest in your products or services.

Many organizations in the life sciences industry ignore lead generation in the good times and realize the consequences of inadequate lead generation systems when their revenue dips.

Lead generation takes many forms; however, the benefits are similar. Getting quality leads can increase a business's return on investment as you focus your resources on leads who are likely to buy from you.

Lead generation also helps to build visibility and awareness as it inherently involves educating your target audience on your products and services. This can multiply your marketing campaign's outcomes as leads can refer you to new prospects via word of mouth.

Additionally, lead generation helps life science industries get valuable data about their target customers, such as their needs and demographics. You can also learn a lot about your competitors through lead generation.

### Lead Generation Strategies

Lead generation processes can be split into two main categories – inbound lead generation and outbound lead generation.

#### Inbound lead generation

This type of lead generation allows potential customers to decide on their own whether they want to interact with your brand.

The marketing team promotes content targeted to your ideal customer to push potential buyers into action. The action could include downloading a publication, filling out a survey, or subscribing to your mailing list, among others.

The action leads to the prospect sharing their contact information, forming the first basis of your relationship.

#### Outbound lead generation

On the other hand, outbound lead generation involves contacting people directly to deliver your sales pitch. This lead generation strategy involves identifying people who fit your ideal customer profile, researching their contact information, and then reaching out to them via methods such as cold calls and cold emails

Lead generation is a constantly changing ball game. It requires staying up to date with market trends and continuously monitoring and fine-tuning your lead generation strategies. Many organizations in the life sciences sector consider this to be cumbersome.

Not to worry though. There is a reprieve - [organizations in the life sciences industry can outsource the entire process from a marketing company](#). Find out what [Tactical Telesolutions](#) can do for your business-to-business lead generation efforts today.