

Online Advertising and Client Acquisition for Professional Services

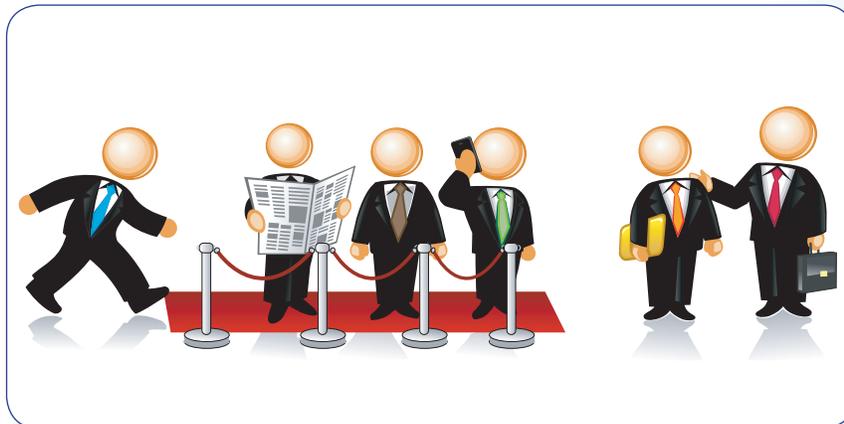
Features and Benefits of Buying Leads from a Lead Aggregator, or Building Your Own Direct to Consumer Marketing Program

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More and more professional service providers, such as lawyers and financial advisors, are taking advantage of the lead generation services provided by internet marketing. There are numerous ways of advertising on the internet; Search Engine Optimization (SEO), Social Media, Email, Blogs, Inbound Marketing, Paid Search (PPC), etc. just to name a few. None of these are mutually exclusive, and any solid marketing plan should include a combination of these efforts.

Since most professionals have already concluded that some sort of internet advertising for new customers or client acquisition is a good idea, the next biggest question facing them is whether they should just buy leads from one or more third party marketers, or develop a direct-to-consumer program on their own. Let's review the two options.



It is no surprise that the number one determining factor when considering options for lead acquisition is based on needs and means. A smaller company, such as an independent lawyer or financial advisor, may only wish to acquire a handful of new clients in any given month. To do this, they may only require a couple dozen leads with a very specific type of targeted customer.

On the opposite end of the spectrum are the super large, billion-dollar companies with established brand recognition and the ability to spend millions in multi-faceted advertising including television, print, and radio. They operate large call centers and likely also dominate the paid search advertising for the most profitable keyword terms, making it cost prohibitive for smaller and localized providers to compete.

What about everyone in-between? Online advertising is often a numbers game. The larger you can go, the less expensive it can become on a per-lead basis. This is primarily due to the ability to simultaneously tap into multiple online advertising sources – Paid Search, Email, Display, etc. The larger the media buy, and the more leads you can process, the less you will typically pay on the individual acquisition costs.

The smaller, independent, and regionally focused service providers such as local lawyers and financial advisors often cannot leverage these online advertising mediums in a cost effective or productive manner. Many of the media buys are priced on a cost-per-click (CPC), or cost-per-impression (CPM) model, which does not guarantee results and may only produce a limited number of qualified leads. Regardless of the results, the traffic still must be paid for.

Option: Outsourced Lead Aggregation

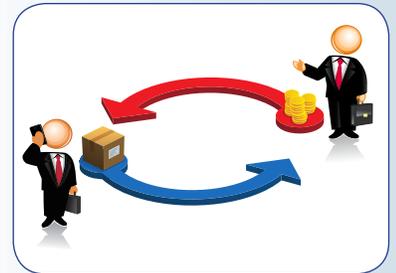
Buying leads from an independant internet advertising company

Third party advertising companies, by combining the purchasing power of multiple, smaller, regional buyers are able to take advantage of larger scale national advertising in a more cost effective manner. Additionally, they can then often deliver to the buyer the specified number of leads requested, pre-qualified by definition, and at the times desired.

Benefits of Outsourced Lead Aggregation

Cost Effective – In most cases, an outsourced lead aggregator can provide leads for a lower cost than smaller, individual efforts can produce. Most importantly, you're only paying for leads, and not just the traffic which generates the leads.

Volume Management – As a lead buyer, your provider should deliver to you only the agreed upon number of leads you have ordered based on what you can effectively process. Also, they should be able to provide consistency with the lead volume, so you don't end up with more than you can process at any given time, or worse, not enough and you have staff sitting around being unproductive.



Buying leads from an outsourced provider allows for greater volume control and overall simplicity.

Your lead seller should be able to deliver the data and qualifiers specified by you, at the times and in the amounts as requested.

Simplicity – Servicing your clients and running your business keeps you busy enough. No need to learn the ins and outs of internet marketing, managing advertising campaigns, or testing new channels.

As you can see, the benefits of outsourcing your lead acquisition are fairly compelling, and even larger companies can get these same benefits if they choose to pay a third party for their leads. However, not all lead aggregators are equal, and the benefits listed above should be considered a best-case scenario. Building a direct program offers all these benefits as well, plus quite a few more.

Option: Direct to Consumer Lead Generation

Building you own branded lead acquisition marketing program with affiliate marketers.

Should you go direct? If considering a direct marketing program for your own lead acquisition, consider these questions:

- Are you currently outsourcing your lead acquisition marketing to a third party?
- Have you found many of the leads you've been sold are completely bogus?
- Is it difficult to identify and separate the leads which were completely bogus, from those which were not truly qualified, or those that you just weren't able to successfully close?
- Would you like to increase the lead quality and contact percentages?
- Is your industry regulated by marketing and compliance regulations?

If you've answered yes to these questions, you may very well benefit from developing your own Direct to Consumer Marketing Channel, leveraging the advertising power and distribution of an Affiliate Program. With a proper affiliate program, you work directly with the internet marketers who drive traffic to your site and your lead form. They use your pre-approved advertising content and you control the qualifying filters and only pay for the leads you've defined as valuable. You don't pay for traffic, only the resulting leads. In many cases, these are the same advertising channels and affiliates used by the lead aggregators, and all of the good ones always prefer to work directly with the advertiser. You can remove the overhead of the middle-man, and gain valuable insight and competitive advantages.

By developing your own direct channel, you can:

- Improve Contact and Conversion percentages
- Reduce the amount of bogus leads you pay for
Increase brand awareness and referral business
- Attain transparency for marketing oversight and compliance monitoring

Benefit 1: Increase in Contact-to-Lead ratio.

Save time and money from purchasing bogus or non-qualified leads, or not being able to contact the person. Generating a lead is only part of the process. From there, the lead needs to be contacted, in many cases further qualified, and ultimately converted to a revenue-generating client or customer. The levels and methods of lead validation and verification done by an outsourced lead generator will vary, and there are additional benefits delivered by a direct program.

Automated Filtering and Validation, including Fraud Detection and Prevention: Use technology to assist with your qualification and filtering process. There are a number of service providers who can analyze and validate and verify the data being entered in real-time at the point of entry. This means, while the user is filling out your contact form and questionnaire, that information is bounced against various databases to confirm that not only is the information accurate, but it is also legitimate. By starting with genuine and accurate data, the follow-up efforts and closing ratios will increase.



Automated validation and verification tools will increase the number of qualified leads contacted.

Some forms use no validation whatsoever, which allows whatever garbage is entered to make it through to your system. If you have staff being paid to then contact this person, they are wasting their time and your money.

Some forms use only basic data validation, such as requiring a ten-digit phone number, or an email entry to include both an '@' and a 'dot', such as 'emailaddress@network.com'. This does not prevent fake or incorrect data from being entered. (i.e. mickeymouse@disneyland.com).

Slightly better systems will check to make sure the data entered actually exists. So 'Mickey Mouse' at 123 Disneyland Street, is immediately flagged as not being legitimate. They may even go a bit farther and verify that both the phone number and email address are live and active.

The best systems can do all of the above. Not only do they check to make sure the information is complete and accurate, but all of it is live and active. Better yet, they check to verify that all of the information entered is related. This helps defeat the most competent fraudsters who will enter valid, but disassociated data such as one person's name, another person's street address, and yet even another person's email and phone number information. This type of data entry would pass through the simpler systems, but are obviously still worthless to you for contacting purposes.

Additionally, there are systems and services available to help monitor and defeat fraudulent sources of data. These systems complement the data validation by checking for patterns of fraudulent activity, so even if all the information entered is accurate, complete, and related, if it is created by a known source of bogus data it can either be denied, or at the very least flagged for additional review before a member of your sales team wastes any additional time trying to follow-up and convert the lead.

Not all lead validation and verification services are the same. The best setup for you will depend on the data you are collecting.

Not all third party lead aggregators bother to implement these systems. After all, their goal is to deliver you what look like legitimate and qualified leads, and they know you don't have an expectation of being able to contact all of them. If you can't contact them because they don't answer their phone or reply to your email, or because it's a false phone number and bogus email address, you'll never know.

Some of the lead aggregators also know that if they only bought and sold legitimate leads to you, they would likely be unable to fill the volume expectations you've ordered, and they would lose their sources for leads due to the drop in what is considered performance. In other words, they are comfortable with knowingly buying 20-30% of garbage leads and passing them along to you in order to deliver the other 70-80%.

Follow-up awareness. By advertising your own site and services, you immediately establish awareness and recognition with the end user. After they submit their information and request to be contacted by you, they are much more likely to pick up the phone or respond to your email since they now know who you are and are expecting to hear from you based on the messaging from your confirmation or Thank You page after filling out your form, on your site.

Automation processes. If applicable, you always have the option to completely automate the process and establish communication using fully automated services such as auto-responders, or pre-recorded phone messages. This can be especially useful if your sales cycle is a bit longer, or you know that providing additional information and qualifying steps are in the best interest of both your sales team, as well as the consumer. For example, you may wish to first send them a 'Getting Started' guide, or a questionnaire to better understand their situation and how you can be of assistance.

Benefit 2: Brand Awareness vs. Competitor Creation.

Brand Awareness: As mentioned above, by driving traffic directly to your site you increase brand awareness and referral business. When traffic comes from a third party site, the visitors who may just visit the first time or whose information gets sold to another buyer, will never have the opportunity to learn about you and the services you offer. There is no way for them to return to you since they don't know you exist. They also cannot share their discovery about you with anyone else they may wish to refer.

Competitor Creation: Even worse, it is not uncommon for some lead aggregators to actively work to support your competition by delivering leads to them as well. In some cases, they are even reaching out and creating your competition by educating those in similar services as to how they can work with your type of client. A common example would be a lawyer or financial advisor who may specialize in one practice area or vertical, is encouraged and even trained to assist customers looking for complementary assistance, such as a personal injury attorney being instructed on how to process workers compensation or social security disability claims. If you are a workers compensation or social security disability attorney and have been buying leads, your lead provider not only increased your competition, but may also now raise rates due to supply and demand.

Benefit 3: Revenue generation from extraneous data.

While still only paying for the leads you've defined as qualified, and filtering out any bogus data, you will still end up collecting additional lead data. This data may be valuable for either continued education efforts of your own services, or possibly complementary services you offer. Additionally, you could broker this data to marketers of other services for a revenue-share opportunity.



Direct advertising lets the visitor learn about you and your services.

Be wary of third party aggregators using your money to increase your competition.

Benefit 4: Transparency, Optimization, and Compliance.

Transparency: Do you know where your current leads are coming from, who is promoting them, and how they are driving the traffic? Have you seen the ads? Do you review the content on the web pages hosting the forms? By developing your own channel, you will establish direct relationships with the affiliates providing the internet marketing and traffic generation.

Optimization: Do you know which sources are creating the best leads? Do you have insight into which ads provided the best type of client or customer? By matching the final disposition data to the original advertising, the best ad campaigns, based on not just initial conversion but ultimately the highest yielding return can be optimized to increase your bottom line. This means you can intelligently and strategically invest more of your marketing dollars into the channels and promotions working the best for you.

Compliance: Most professional trades and services have rules and regulations regarding the advertising and marketing they're allowed, and required, to follow. Failure to do so can lead to fines, lawsuits, and even loss of licensing. Hiding behind a third party you've paid to handle the advertising and lead aggregation is typically not a free pass. As mentioned earlier on, not all lead aggregators are the same. Some are very good and committed to best practices. Others may not know they are unwittingly allowing violations, and the worse are knowingly doing whatever it takes to generate what looks like a lead to sell to you.

Conclusion

Determining which model is best for you and your business needs to take into consideration many factors, but primarily boils down to the number of leads you'd like to acquire. As mentioned earlier, a well-rounded marketing plan should include multiple channels and models for you to find new customers, and for them to find you. Neither of the two options reviewed here are mutually exclusive. You may benefit from doing both simultaneously, especially when first starting.

Who We Are

We're an online marketing agency specializing in search engine marketing and affiliate program development. We work very closely with our clients to build unique and branded programs with complete transparency and insight with a strict adherence to any and all marketing guidelines and compliance regulations as required per industry. Our clients completely own their programs at all times, and whenever requested, we offer a seamless transition and training services back to in-house teams. If you have any questions, and would like to discuss whether a direct program might be a good fit for your company, please give us a call at 303-379-9501, or visit us at www.tesseractmarketing.com. All consultations are free with no obligation. We look forward to speaking with you.



A Piece of Your Marketing Mosaic

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