The Conversica Sales *Effectiveness* Report

Measuring Inbound Lead Follow-Up Practices in 2023

Introduction

The success of Marketing and Sales teams ultimately boils down to one thing: **turning leads and prospects into paying customers**.

To oversimplify, Marketing works to generate interest, and Sales capitalizes on it. And one of the key motions in the process is **following up on inbound leads** to convert that interest into opportunity.

In this 2023 Sales Effectiveness Report, we investigated how 100 companies across the Technology, Telecommunications and Sports, Media & Entertainment industries engage their leads. Alongside our findings of real-world execution, we share best practices and research to identify patterns of successful lead engagement.

Conversica secretly shopped the website of 100 companies from our target industries to analyze their efforts to engage with inbound interest. A company's degree of success was graded using four key elements of lead engagement based on best practices from third-party resources.

Conversica has identified these as the **Four Ps of Sales Effectiveness**:

- **Promptness:** How quickly did a company follow up on an inquiry with a personalized response?
- **Persistence:** How many attempts did the company make to follow up with the lead?
- **Personalization:** To what extent was the response personalized? Did the response move the conversation forward?
- **Performance:** Did the email successfully reach the lead's Primary Gmail inbox? Or did it land in Promotions, Social or—worst of all—Spam?

With heightened buyer expectations for online experiences in the post-COVID world, **the inbound web lead engagement process is more important than ever**. The current rocky economic climate adds extra pressure for businesses to review their practices and find areas for improvement so opportunities don't fall through the cracks.

Findings from this report can help you understand where your company stands relative to others in your industry, which factors are strong indicators of success or failure and what best practices your Sales and Marketing team can take to increase conversions.

Your inbound leads hold valuable potential as revenue opportunities and are critical to the success of your organization. We hope this report will help you uncover ways to leverage them to your advantage.

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For the first time in the post-pandemic world, Conversica created a study to track the effectiveness of organizations' ability to **touch and engage inbound leads**.

Our researchers tracked the Sales follow-up practices in 100 select mid-market and enterprise companies from three major industries: Technology, Telecommunications and Sports, Media & Entertainment. Our **secret shopper** approached the companies by expressing interest in their products or services and requesting to be contacted for more information.

Here are some of the highlights of our findings:

→ **Half** of the companies studied **received an F** overall.
- **24%** of companies had no option to send an inquiry from their website, requiring interested leads to leave the webpage to contact the Sales team and resulting in an **automatic F**.
- **25%** did not respond to the inquiry at all, leading to scores of **0 in all categories**.

→ **17%** of companies received an **overall A grade,** compared to 8% in the previous study.

→ When companies did respond, most gave up too soon. Roughly **35%** followed up on their inbound leads with **only one or two contact attempts.**

→ **Only 12%** of companies earned an A in Persistence by delivering 6–11 touches.

→ The overall cohort performed best on Personalization and Performance.
- **48%** of companies contacted received an A in Performance. 17% received a D for emails sent to the Promotions or Social tabs in Gmail.
- **40%** of companies earned an A grade in Personalization. Only 14% of companies who responded to the initial inquiry received an F on Personalization.

Executive
Summary
Cont'd

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Given that **1 in 4 companies** researched had no option for on-site contact, it's clear that web experience should be a key focus for many brands. In the attention economy, requiring potential leads to leave your site and open their inbox to send an inquiry runs the risk of distractions derailing a potential sale.

This is an easy fix, easily remedied through the use of simple contact forms or—even better—interactive web chat tools that can gather lead information and move the buying process forward.

The high number of companies who received an inquiry but did not follow up is also concerning.

Telecommunications had the highest rate of no-follow-up at 40% of companies failing to respond, with Sports, Media & Entertainment close behind at 35% and Tech performing best with 28% of companies contacted failing to respond.

This indicates a **serious issue with lead follow-up processes**, as a hand-raiser asking for more information on a service or product should merit an automated email response at a minimum if capacity for 1:1, personalized follow-up is low.

Increasing sales opportunities is important in any year and even more so in rocky economic times. Companies must invest in modern, innovative solutions that **prioritize effective lead follow-up**.

This report will illuminate the ways lead follow-up can be improved in your organization.

Promptness

Our research indicates that **promptness is the most important factor** when engaging with an inbound lead. The faster the connection is made, the higher the likelihood of converting a lead to a customer [1].

Here's some data demonstrating how great of a difference even a few minutes can make:

- An astounding **78% of customers buy from the first responder**, demonstrating that promptness offers a competitive advantage [2].

- Companies that contact leads within an hour of inquiry are nearly **7 times more likely to qualify** than at two hours, and **60 times** more than companies that wait over 24 hours [3].

- The conversion rate increases by **391%** when companies make a call attempt within a minute of receiving a lead [4].

Response times in our study ranged from less than a minute to 21 days, with **half of companies responding within 24 hours**. This holds roughly steady with our previous studies, with 52% of companies meeting this threshold in 2020. However, **only 18%** of companies received an A grade in promptness.

When assigning a company a promptness grade, we disregarded autoresponder emails confirming our request for follow-up but included other automated emails that were not acknowledging receipt of the inquiry.

Grading Key:

Time to First Response	Promptness Points	Letter Grade
0–5 Minutes	20	A
6–60 Minutes	15	B
1–8 Hours	10	C
8–24 Hours	5	D
>24 hours	0	F

Insights:
Promptness

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- **→** **17%** of companies responded within 5 minutes, earning an A grade in promptness.
- **→** Almost half of the companies *(47%)* received an F grade.
- **→** But only **15%** were graded F for slow responses—the rest sent *no* response.

Since our 2020 report, the percentage of companies making **no attempt to respond to inquiries** has jumped drastically (5% to 33%). This may be due to reductions in force, though given the wide availability of automation, there really is **no excuse** for a complete lack of follow-up on inbound leads.

When companies did respond to inquiries, they were **more likely to do so in under 24 hours** than in 2020. Only 15% received an F grade for slow responses, in comparison to 48% in the last study, and only 4% took more than a week to respond (36% in 2020).

However, **companies reaching the optimal >5-minute mark dipped**, with only 17% earning an A grade compared to 23% in 2020. With conversion rates hitting a cliff after that time limit, this slip represents potential opportunity dollars falling through the cracks.

Another **34% reached out between 6 minutes and a full 24 hours later**. Responding within 1–8 hours implies companies were responding in the same workday, more or less, earning a C grade (15.7%). Companies responding within 9–24 hours would likely reach leads the next day, earning a D grade (7.8%).

Grades:
Promptness

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17.1%
A: 0–5 minutes

10.5%
B: 6–60 minutes

15.7%
C: 1–8 hours

7.8%
D: 8–24 hours

47.3%
F: >24 hours
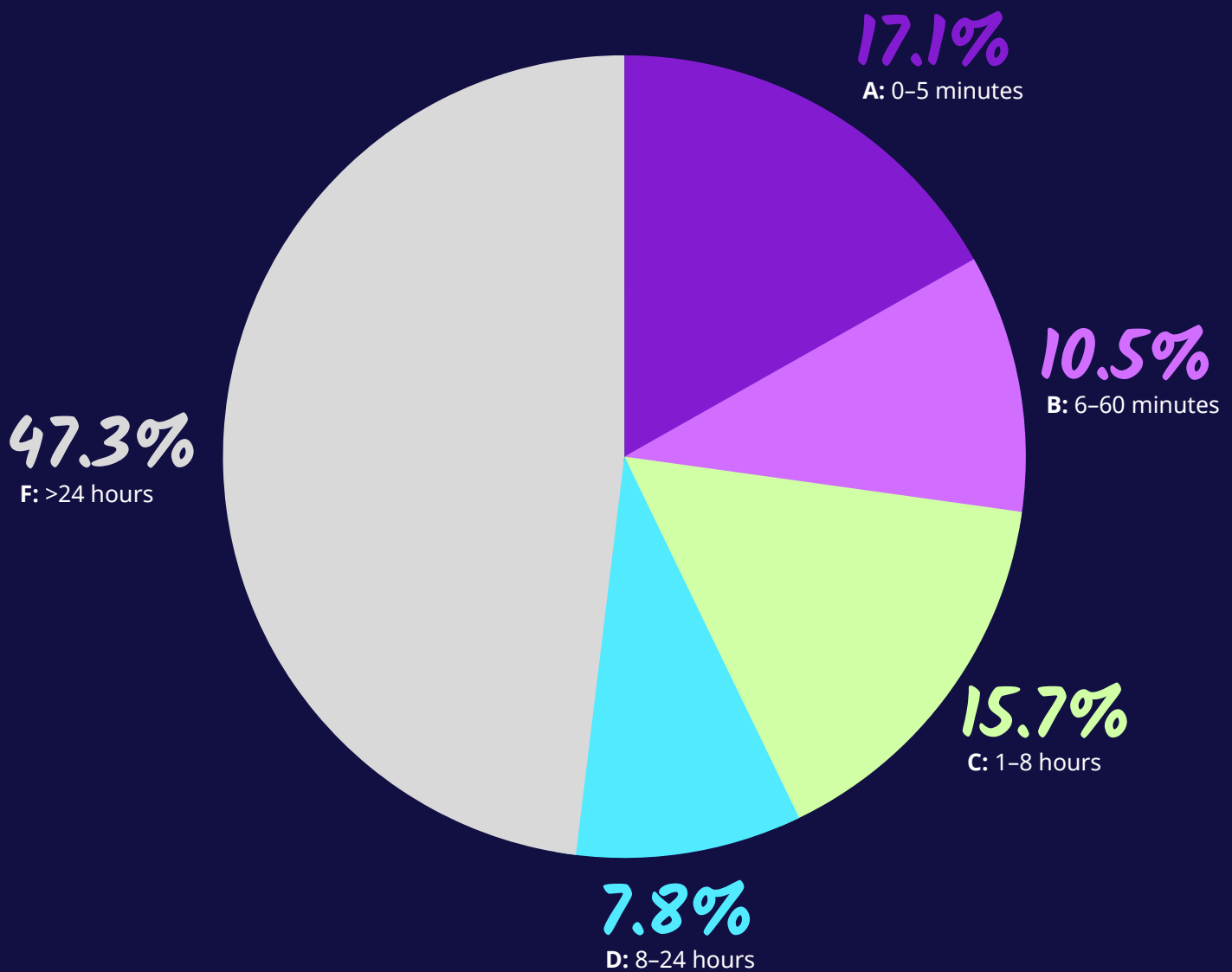
Persistence

Engaging with leads in a timely manner is critical. But **it's rare that one response is enough** to motivate a lead to schedule a meeting with Sales. This is for multiple reasons, including busy schedules, leads researching organizations at their own pace, buried emails, or missed phone calls.

According to market research, increasing your number of attempts yields increased conversions:

- Only **2% of sales** are made during the first point of contact. Roughly 80% are made between the **fifth and twelfth contact** [5].

- Making more than 5 attempts to contact a prospect increases the probability of conversion **by 70%** [6].

- **92%** of Salespeople give up after four attempts, and 44% give up after one [7].

To assign a score for persistence, we counted the total number of times a company attempted to contact each lead through email, voicemail, and text message over a 22-day period. While the persistence range ran from 1 to 11 attempts, the overall mean hovered **just above 2 attempts** for a low C average.

We based our persistence grading scale on findings from previous studies. Too few touches may not capture the recipient's attention or may not motivate them to respond. But too many contact attempts produce diminishing returns or could annoy the recipient.

Grading Key:

# of Attempts	Persistence Points	Letter Grade
0	0	F
1	5	D
2–3	10	C
4–5	15	B
6–11	20	A
12–15	15	B
16–20	10	C
>20	5	D

Insights:
Persistence

> → **35%** of companies gave up after 1 or 2 attempts to follow up with the lead.
>
> → Only around **1 in 5** made 4 or more attempts to get in touch.
>
> → The average number of attempts was just **2.1.**

Only 21% of our surveyed companies made four or more attempts to reach out to our secret shopper, and just **under 12%** hit the 6–11 attempts required to earn an A. The overall average grade was just barely in the C range.

No companies went above the 11 attempt mark, a sharp departure from the previous study when the high water mark for attempts was 22.

This may indicate that companies should put **more effort and resources into automation** solutions to increase their number of contacts with each lead in hopes of capturing every possible opportunity without overburdening the Sales team.

In fact, due to increased competition and longer sales cycles, **higher-than-usual persistence** in lead follow-up might be a necessity.

Persistence is on the minds of many Marketing and Sales teams. However, each company manages its processes differently. Some companies send **multiple attempts from a single Salesperson**. Others prefer to nurture leads through **automated notifications** about webinars, newsletters, and shared content.

These differences may be due to norms in these target industries, varying adoption rates of best practices, or behavioral changes due to economic pressures.

Grades:
Persistence

11.8%
A: 6–11 attempts

9.2%
B: 4–5 attempts

23.7%
C: 2–3 attempts

22.3%
D: 1 attempt

32.9%
F: 0 attempts
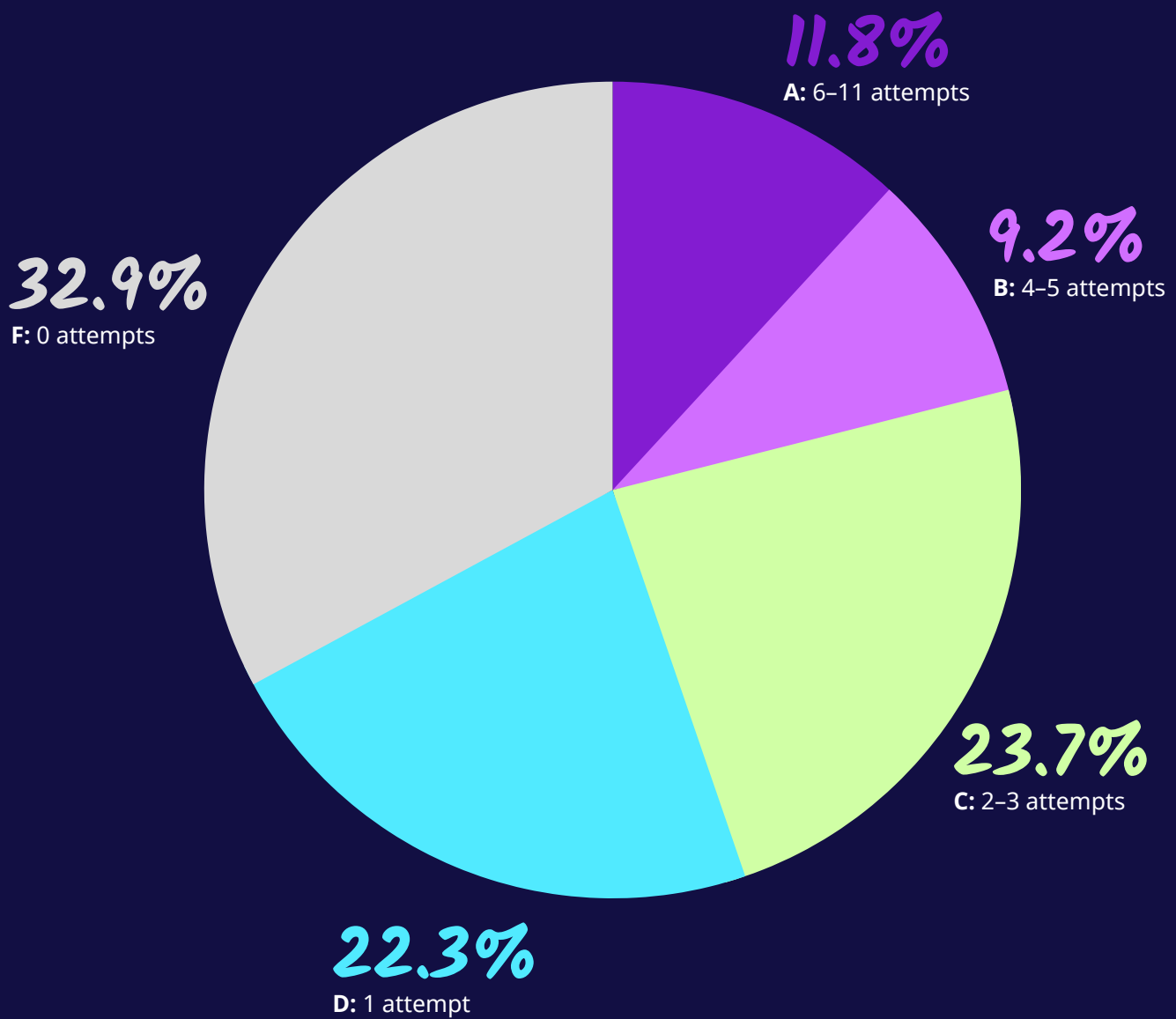
Personalization

Market research shows that personalized communications with an inbound lead significantly increases the likelihood of successful engagement and conversion:

- Sending an email from an individual rather than a company name can increase your email click-through rate by **35%** [8].

- Emails with personalized subject lines are **26% more likely** to be opened by recipients [9].

- Personalized emails produce a 2.7x higher click rate and **5.7x more revenue** [10].

With these statistics in mind, our researchers created a five-part standard to evaluate each individual response from these companies for personalization:

1. **Personalized greeting:** Did the message refer to the secret shopper by name?

2. **Individual sender:** Did the "From" line of the email list a human name, or a company, team or department name?

3. **Signature or contact information:** Did the message provide contact information for the sender to respond?

4. **Success factor:** Did the Sales rep move the conversation forward?

5. **Personalized content:** Did the content of the email reference the lead's initial request?

All emails and voicemails in this latest study were graded for personalization using the above five-part rubric. Perhaps unsurprisingly, voicemails were far more personalized than emails due to the natural flow of spoken conversations and lack of automated solutions.

Grading Key:

# of Personalized Elements	Personalization Points	Letter Grade
0–1	0	F
2	5	D
3	10	C
4	15	B
5	20	A

Insights:
Personalization

- → **51%** of companies made an effort to send tailored responses by including four or more personalization elements in their follow-up communications, up from 29% in 2020.

- → Another **12%** made at least some attempt to personalize their responses with one or two elements.

- → Even among the F grades, almost all included the lead's first name.

In the post-pandemic world, the importance of personalized messages to cut through the noise of higher email volumes has only risen, and companies are acting accordingly. In comparison to 2020, the 2023 cohort has improved their personalization, with **40% of companies earning an A grade** for including all five personalization elements, up from 30%.

However, nearly **one in 10** companies sent only generic automated marketing emails over the 22 days that included either no personalization or only the buyer persona's first name. This does not include the many companies that sent auto-responder emails confirming the request as their first touch, which starts the engagement on an impersonal note. Worst of all was the few companies that made no follow-up after the initial auto-response.

There are common marketing automation practices that companies in the study used to help personalize first communications. Automatically including the lead's name is a prime example. But there were many examples where companies **neglected to push the conversation forward**, lacked a human-like touch, or failed to engage the lead in two-way conversations.
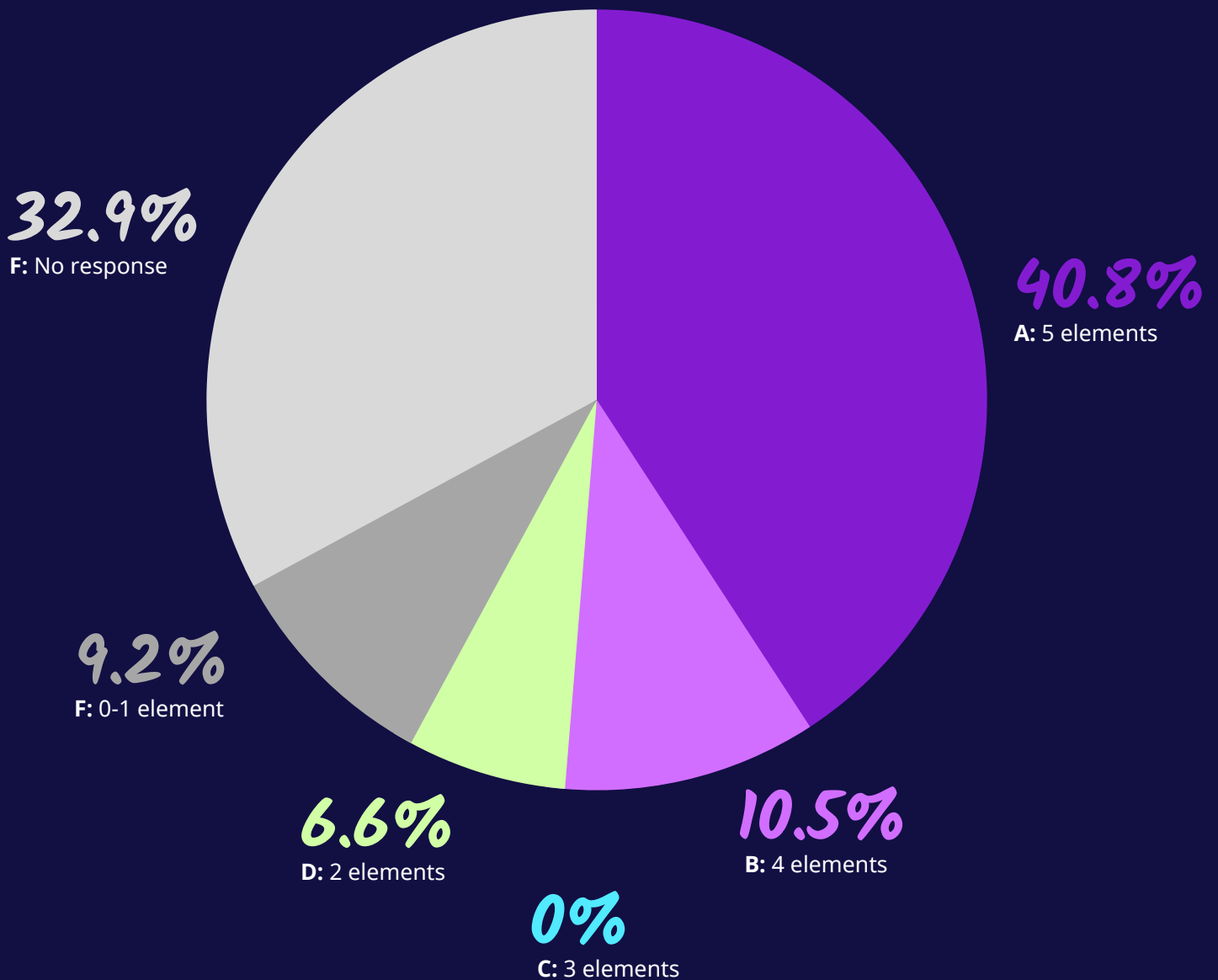
42% of the cohort earned an F grade for personalization, but the vast majority of these were companies that did not respond to the request at all or only sent a confirmation auto-response. Only **9% of those who sent a response received an F**.

While personalization has improved since the last study in 2020, there's still **clear room for improvement**, either through increased attention from business professionals or by adopting more robust, human-like automated solutions.

Grades:
Personalization

32.9%
F: No response

40.8%
A: 5 elements

9.2%
F: 0-1 element

6.6%
D: 2 elements

0%
C: 3 elements

10.5%
B: 4 elements

Performance

More than **60% of mid-sized US companies and 92% of startups** use Gmail for their business email provider [11]. This makes it an ideal test case for lead follow-up deliverability. Gmail's popular tab structure adds one more level to email performance than a delivered/not-delivered score. A few stats illustrating why tab sorting matters:

- Only **0.3%** of commercial emails are delivered to the Primary inbox [12].
- Commercial emails delivered to the Promotions tab are **41% less likely to be read** than emails in the Primary inbox [12].
- **17%** of all emails sent are not delivered to the inbox [13].

Companies surveyed by our secret shopper were graded based on where their communications landed. Specifically, voicemails and emails arriving in the **"Primary"** Gmail inbox received an A grade. Emails falling into the **"Social"** or **"Promotions"** tabs were given a D grade. Those landing in the **"Spam"** folder received an F grade.

The rationale behind this grading scale is to reward companies sending highly personalized messages that landed in the Primary folder, while also aptly grading companies who used a hybrid approach of sending both personalized messages and mass email nurtures. Thus, companies earning an aggregate B or C grade did so due to a dual-nurture approach with emails delivered to more than one tab.

Each company's overall performance grade was calculated by computing the mean number of performance points earned across all responses delivered by the company. From there, numerical scores were matched to a letter grade based on the same grading scale used to determine the company's overall grade.

Grading Key:

Gmail Tab	Performance Points	Letter Grade
Spam	0	F
Social or Promotions	5	D
Primary	20	A

Insights:
Performance

> - **48%** of companies received an A grade, a vast improvement over the 12% making it to the Primary tab in 2020.
> - **No** companies had messages sent to Spam or Social.
> - **17%** had all their emails end up in the Promotions tab.

When it comes to performance, there is almost a **binary distinction**. Your communications either fall in the right place (the Primary inbox) or the wrong places (Promotions/Social or Spam). However, Gmail users do tend to occasionally read the emails in Promotions or Social, just on a much-reduced level compared to the Primary tab.

Gmail is particularly adept at sorting mass automated emails from companies out of the Primary tab, which is part of why we've weighted the **1:1, individual sender** approach so heavily in our overall grading of lead follow-up emails.
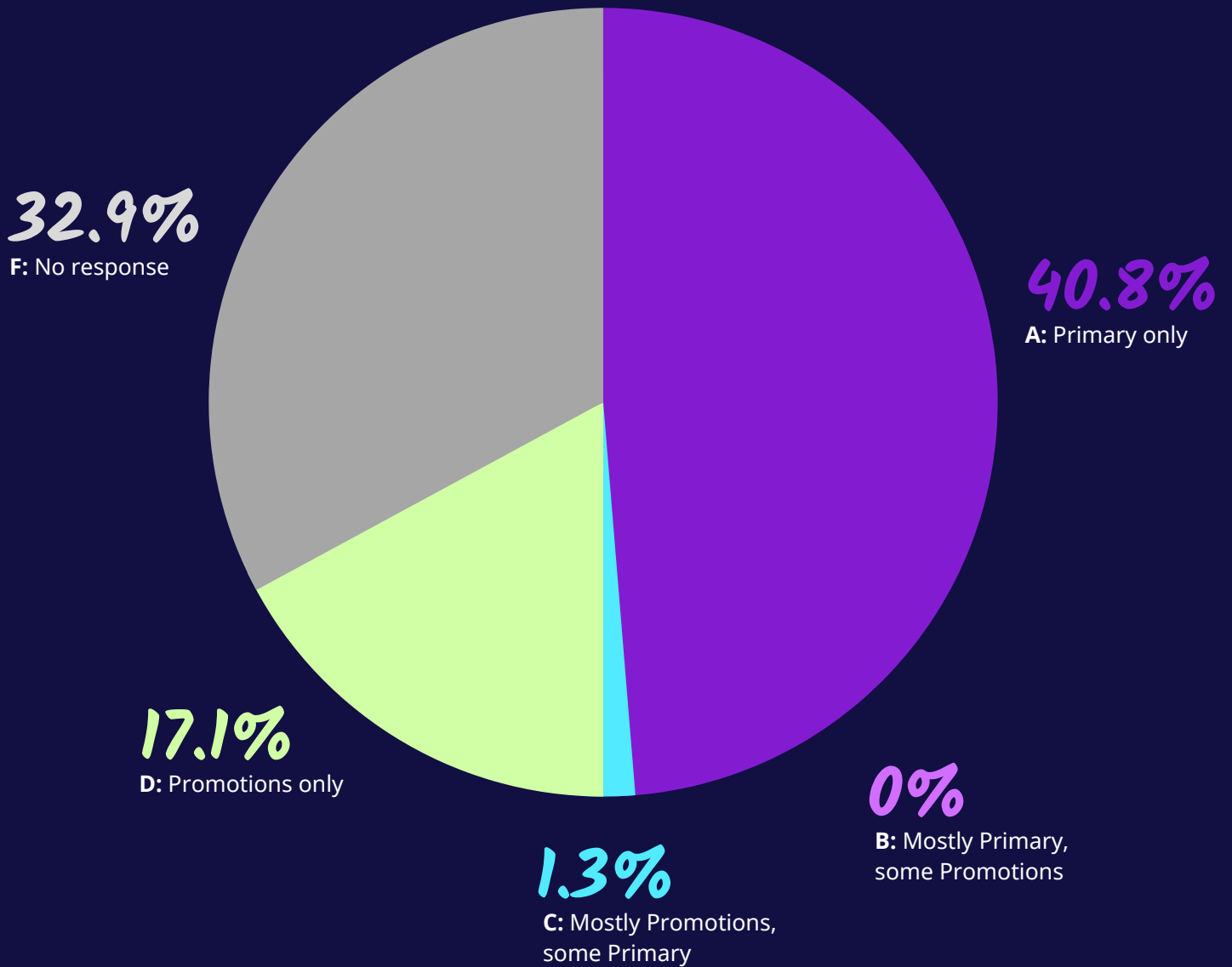
Performance and personalization go hand-in-hand as the content of an email affects how it reaches the recipient. The more personalized a message, the more likely it will end up in the Primary inbox. Since potential customers are most likely to notice and respond to messages in their Primary inbox, it is vital for organizations to offer a human touch whenever possible.

As Personalization saw a big improvement from the last study, **Performance scores also jumped**. No companies sent messages that landed in the Spam folder, and only 17% hit the Promotions and Social tabs exclusively. A tiny minority (1.3%) had a hybrid approach with emails splitting between Primary and other tabs.

Grades:
Performance

32.9%
F: No response

40.8%
A: Primary only

17.1%
D: Promotions only

0%
B: Mostly Primary, some Promotions

1.3%
C: Mostly Promotions, some Primary

Insights from *Overall Grades* for Lead Follow-Up

Overall, the **top and bottom groups both grew** from 2020, leaving the middle of the pack much leaner.

If companies have a tight lead follow-up net in place, they're sending **higher quality responses** to the inquiry, leading to a **higher rate of A grades**. However, the 2023 cohort is also far more likely to have large holes in their follow-up practices that **let leads slip through the cracks**, resulting in more Fs. The middle group of Bs, Cs, and Ds has shrunk considerably.

Overall grades are determined by averaging each company's scores across all four categories and then converting them to a letter grade using the following key:

| Averaged Total Points	Letter Grade
16–20	A
11–15	B
6–10	C
1–5	D
0	F

Key Results:

- **17%** of the cohort earned an A overall, more than double the percentage in 2020.
  - Of the companies that had an on-site contact option, **22%** earned an A.
- Roughly **1 in 3** earned either an overall B (22%) or C (9%) grade.
- Only **3%** received a D overall.
- **49%** had no on-site contact option or did not respond at all to the inquiry, receiving an F.

Overall
Grade Distribution

17%
A: 16–20

22%
B: 11–15

9%
C: 6–10

3%
D: 1–5

25%
F: No response

24%
F: No on-site contact
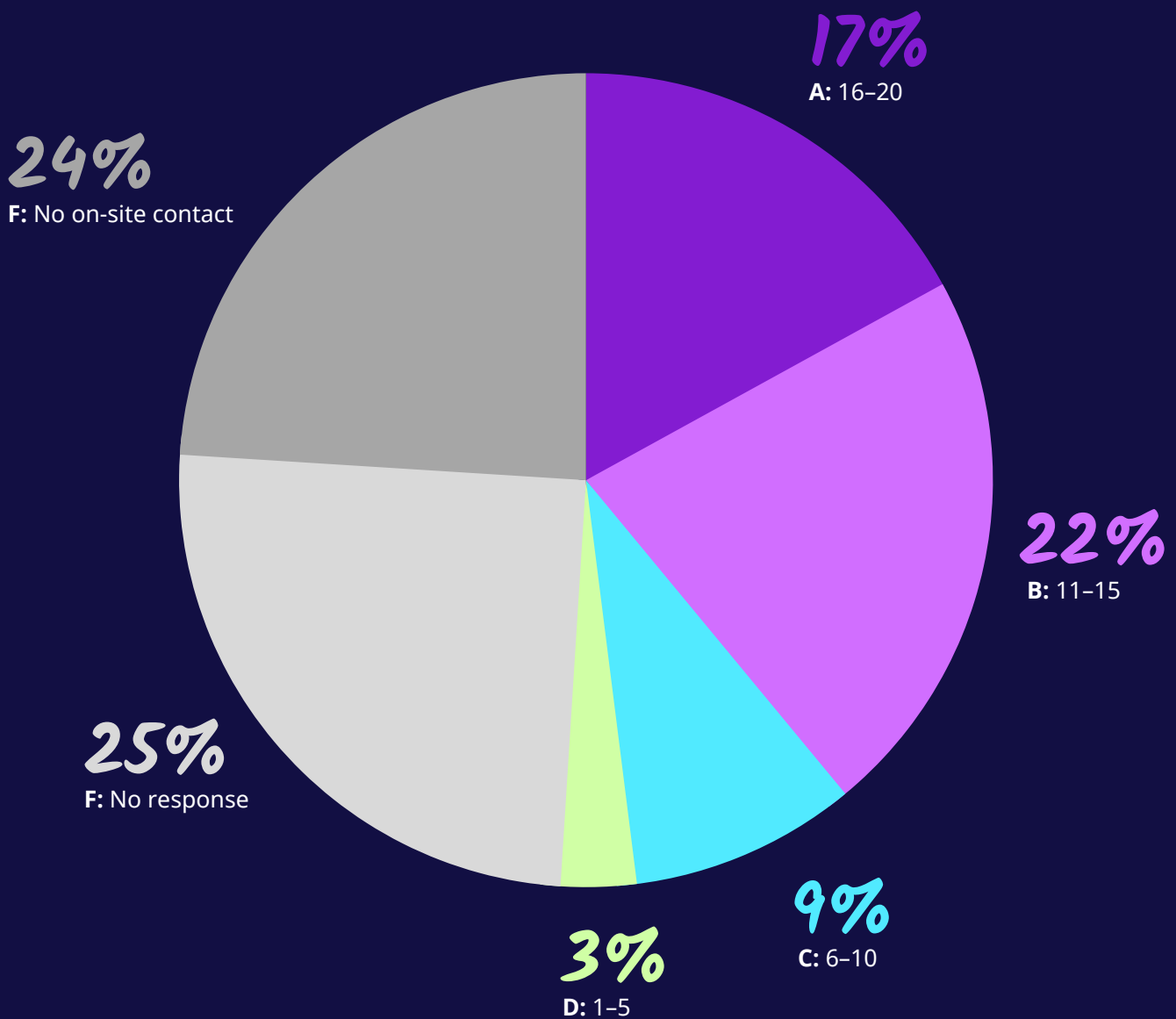
4Ps by Industry:

How Tech, Telecom and Sports, Media & Entertainment *Stack Up*

Top Industries with Overall "A" Grades

1. **Telecommunications:** 18.5% earned A grades.

2. **Technology:** 18.2% earned A grades.

3. **Sports, Media & Entertainment:** 13.7% earned A grades.

Every industry made big leaps over 2020, but the rankings have moved around significantly.

The **Telecom industry had the most As** overall. This was a flip from the last study, when Telecom ranked dead-last at 4% with an A grade. Tech was close behind at 18.2%, eight percentage points higher than 2020, when they were ranked first. Sports, Media & Entertainment ended up at the bottom of the list with 13.7% A grades compared to 10% in the last study.
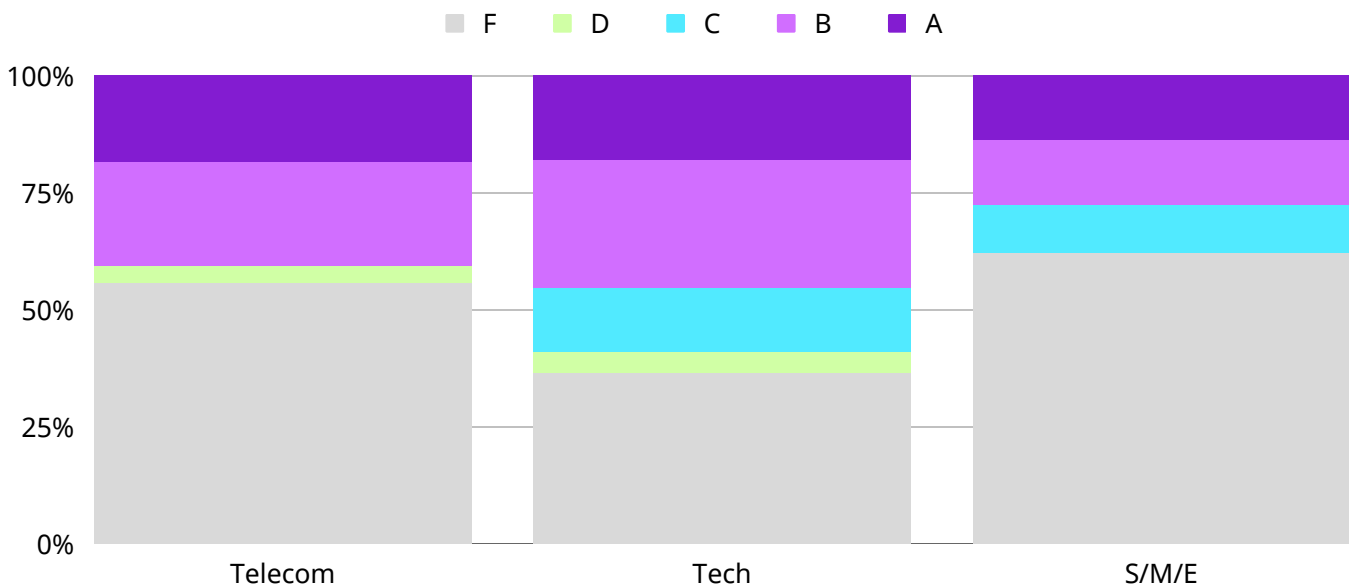
Steps for *Improving* Lead Follow-Up

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Sales teams get more at-bat opportunities when they **engage each and every lead** in a personalized, two-way conversation.

But even with the best intentions and thorough planning, it's easy to fall short of hitting top marks across all 4Ps – Promptness, Persistence, Personalization, and Performance. One-to-one engagement with every lead **just isn't feasible** for most Sales teams through people power alone, which is why organizations adopt technological solutions to fill in the gaps.

Technology is not a panacea, however. Most garden-variety Sales enablement and Marketing automation tools can't deliver sufficient Promptness, Persistence, Personalization, or Performance. Automation must engage leads in **two-way conversations that drive them to the next best action** (such as scheduling a sales meeting or gauging interest in particular products or services).

These are our tips for each of our 4Ps to help companies hoping to improve their sales effectiveness.

Promptness
Respond to an inquiry as soon as it arrives

| 8–24 Hours
(Avg across all companies) | >> | 5 Minutes
(Avg for A-grade companies) |
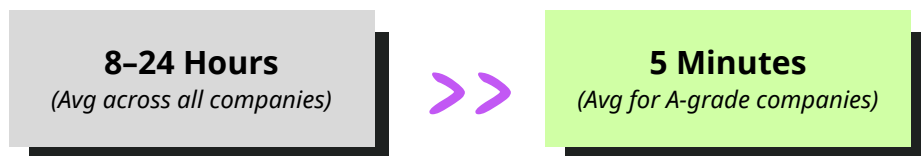
Companies receiving an inquiry from our secret shopper averaged **up to one day to respond**, earning a C grade—and a quarter let the inbound lead slip through the cracks altogether.

Replying to every inbound inquiry **within just five minutes** is ideal for engaging a potential customer at the moment they express interest.

Capacity issues and limited resources keep the vast majority of Sales representatives from personally engaging every single lead within a 5-minute window. **This is where AI can change the game.** Conversation Automation with reliable triggers can ensure Sales teams don't miss out on hand-raisers.

Improving Lead Follow-Up

Persistence
Make more attempts to contact your lead

2 Attempts		7 Attempts
(Avg across all companies)	**>>**	*(Avg for A-grade companies)*
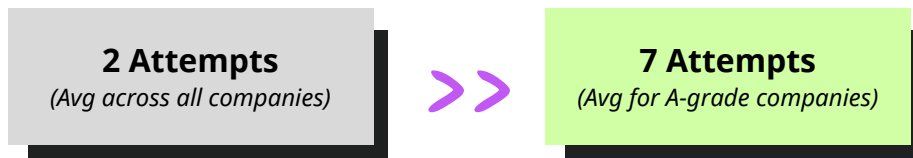
35% of the companies we contacted made just one or two attempts to reach our secret shopper. Organizations that follow up with inbound leads an **average of five to eight times** significantly improve the success of engaging prospects. However, following up more than 12 times in a 22-day period can diminish the effectiveness of your outreach efforts.

By automating this process, Sales teams can **quickly and consistently** boost their persistence without putting additional strain on their teams.

Personalization
Increase the number of personalized elements

3 Elements		5 Elements
(Avg across all companies)	**>>**	*(Avg for A-grade companies)*

1/3 of companies this year made an effort to tailor their responses by including 4+ personalization elements. Follow these tips for better, more personalized responses:

1. Send a greeting with the **lead's first name** and sign the email with a **rep's name**.

2. Use an **individual email account** that the lead can easily reply to rather than a generic address like "marketing@company.com."

3. Refer to the lead's **specific inquiry** within your response to make it feel personal.

4. **Move the conversation forward**. For example, propose times to schedule a call.

5. Include **alternate contact information** so the lead can continue the conversation.

Improving Lead Follow-Up

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Performance

Keep email responses brief and include information relevant to inquiries

76%		97.5%
(Avg across all companies)	>>	*(Avg for A-grade companies)*
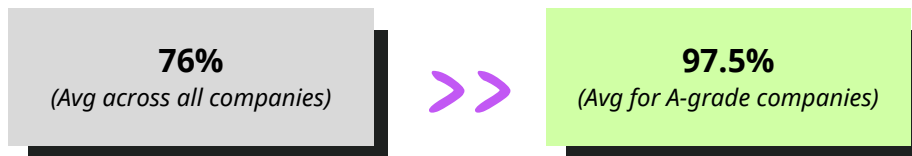
As email filters become more advanced, organizations need to adopt more robust automation technologies to **deliver quality messages that reach inboxes** and resonate with recipients.

These tips will help ensure your email will avoid the Spam folder and land successfully in your lead's Primary inbox:

→ Make sure your recipients **agree** to receive your emails and phone calls.

→ Use a **personal email address and individual name** in the sender information rather than a generic business address.

→ Keep your email personalized by including the **recipient's first name** as well as information relevant to them (such as their job, company, industry, goals, pain points, etc.).

→ **Tailor unique messages** rather than blasting the same automated message to everyone.

→ Eliminate **words that trigger spam filters** (e.g.. "money," "cash," "free") and promotional grammar (e.g., using all caps or exclamation points in subject lines or body graphs).

→ Avoid sending emails with **one large image, too many links, or numerous images**.

→ Keep your responses **brief and to the point**.

→ **Do not buy or rent** email lists.

Report *Methodology*

Companies Researched

Our researchers shopped **100 companies** by seeking out an inquiry form on their website and, if an on-site contact option was available, expressing interest in their products or services and requesting to be contacted by a member of the target company's Sales team.

The companies surveyed focused on **large corporations and medium-sized companies** (>200 employees, >$75M in annual revenue) across two business-to-business (B2B) industries (Technology and Telecommunications) and one business-to-consumer (B2C) industry (Sports, Media & Entertainment). The list of companies to secret shop was randomly selected from the group contacted for the 2020 Sales Effectiveness Report.

Making Contact

Research for this report was conducted from **March 7 to April 5, 2023** using a secret shopper persona with no link to Conversica. Email and telephone responses from each company were recorded and analyzed for **22 days from the date of inquiry**. Any follow-up after the 22 days was disregarded. Inquiries were made with the intent to put each company in the best position to perform well.

All forms of contact were provided when asked to give the companies the option of responding via email, phone call, or text message. Inquiries were made during **standard business days and hours**, Monday through Friday, 9 A.M. to 5 P.M. CST.

Overall Grades for Lead Follow-Up

Overall grades were determined by averaging each company's scores across all four categories and then converting them to a letter grade using the key below.

To reflect heightened expectations for online engagement, we added a **new "Automatic F"** grade for companies that had no option for on-site contact. This applies to companies with no contact form or chat option on their site, meaning the buyer would have to leave the website to make an inquiry.

Averaged Total Points	Letter Grade
16–20	A
11–15	B
6–10	C
1–5	D
0	F

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![conversica logo]

About
Conversica

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Conversica's Revenue Digital Assistants™ (RDAs) supercharge workforces to acquire untapped revenue through perfectly structured conversations across chat, email, and SMS. With billions of human interactions spanning more than a decade, Conversica's RDAs have learned to influence and persuade customers and prospects throughout the customer journey lifecycle.

Unlike first-gen chatbots, Conversica RDAs are Powerfully Human™ and can hold meaningful conversations at every touchpoint to create brand loyalty and maximize every revenue opportunity.

Learn more at conversica.com.