# How Services Are Sold Today: Online Optimization

**By Josh Friend**

There's no argument the internet, tablet devices and smartphones have changed, and will continue to change, the way consumers buy goods and services. During the 2013 holiday shopping season, US retailers experienced half the foot traffic they did just three years prior, according to ShopperTrak. This trend is not reflective of a decrease in overall holiday spending; instead it indicates a dramatic shift in the way people buy products. This same trend is now accelerating the way consumers buy services, such as mortgages and insurance.

Some 15 years ago, leads that came in via email or online were printed out on a piece of paper and handled similarly to phone or direct mail leads; they were given to agents or sales people and then input into a basic lead management system. Today, more sophisticated service-based companies have systems that enable them to immediately and automatically respond to online customer inquiries. One good example is the mortgage industry. Currently, 80% of consumers research their mortgage options on the internet and, according to Ellie Mae, by 2015 50% of the $1.2 trillion mortgage market will be started and completed online.

Busy consumers are not likely to continue to invest time meeting with an agent or sales person face to face when all the information they need is available at their fingertips from the comfort of their home.

## It's Time to Adapt

So how can service-based companies not only stay current, but even jump ahead of this trend? The answer is simple. They need to have an online lead management system that enables them to communicate with consumers in a time and way that most influences their buying decision. Traditionally, companies delivered or "pushed" information to consumers who, if interested, responded by phone or online. Now, more than ever, consumers are empowered and are the ones "pulling" or asking for information. When they click on a banner or button or use a popular search engine to find information, they are actively in the consideration and research stages of the purchase decision cycle, which means time is of the essence when responding to their inquiries. Because people are actively in the decision-making process when they submit an online inquiry, internet

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leads should be considered hot. But research indicates that these hot leads have a tendency to cool down very rapidly. According to a study conducted by Professor Oldroyd, a faculty fellow at MIT, the odds of contacting a lead if called within five minutes versus 30 minutes drop 100 times. Then why, according to a study by the Harvard Business Review (March, 2011), is the average response time 42 hours among US companies, where 37% responded to an online lead within an hour, 16% responded within one to 24 hours, 24% took more than 24 hours and 23% never responded at all?

## Be First to Respond

To optimize online leads, a company needs to respond immediately, intelligently and through the channels that are preferred by the customer, whether it's by phone, email, mail or in-person. For most businesses, email and phone will become the primary response channels. Lead management technology can automate and organize your response, immediately sending out an email or forwarding the online inquiry contact to an available in-house telephone sales representative. This is the company's chance to make a great first impression – not only by being responsive, but also by customizing the response to the needs and preferences of the lead, when possible.

Over the past decade, my company, Insellerate, created, implemented and refined a proprietary lead management technology for a national mortgage lender and the results were astonishing. This technology enables the company to respond by phone to online inquiries within 30 seconds and create an online email nurture program driven by consumer response, needs and sales triggers. This system is dynamic and personal, yet simple to implement. By being first to respond, we increased mortgage close rates by over 30% and enabled sales managers

to prioritize their team's efforts to maximize results. The Insellerate System executes automatically on the five keys to successfully maximizing lead generation ROI:

1. Respond to every online lead/inquiry

2. Respond real-time, preferably within seconds of inquiry

3. Respond intelligently and through the customer's preferred channel

4. Continue to provide information based on customer's needs, preferences and sales triggers

5. Use information technology to analyze and determine lead priority

There's not a doubt technology will continue to rapidly evolve, especially the trend toward Internet of Things, and the way consumers research and buy all types of products and services will also evolve. Companies who implement systems that are not just current, but forward thinking, will emerge as the leaders in the new marketplace. ◼

Josh Friend is the President and CEO of Insellerate, a simple-to-use, yet sophisticated sales force automation and lead management platform. Insellerate delivers incremental sales and revenue by optimizing consumer direct lead channels, increasing prospect conversion and maximizing sales opportunities through an automated lead nurture program. With over 15 years experience in mortgage industry lead management, Josh Friend has launched six loan origination production centers and pioneered the use of technology to deliver efficiency and cost effectiveness in lead generation and conversion.