Build vs. Buy for Lead Management & Revenue Operations

What's Best for Your Tech Stack?

Build vs. Buy?

It's one of those weighty business decisions with make-or-break consequences:

Should we build our own solution, or buy something off-the-shelf?

Getting this decision wrong not only wastes precious resources — both time and money — but also grinds your growth to a halt. It's simply a decision where you can't afford to make a mistake.

This question is particularly important when it comes to Revenue Operations (aka RevOps), the people, processes and technologies that govern your go-to-market (GTM) motions. RevOps sits at the center of an organization's GTM strategy, and when it stalls, so does that company's ability to grow.

How you answer "build or buy?" could mean the difference between scalable, efficient revenue growth and a poor buyer experience that obstructs pipeline growth.

Our team at LeanData has worked with Marketing, Sales, and Customer Success leaders from many of the fastest-growing organizations to address the most complex challenges relating to revenue operations.

We've compiled this guide to help you:

- ✓ Understand the risks and benefits of building your own lead management solutions
- ✓ Make the right decision about when to partner with software vendors
- ✓ Learn how your colleagues in Marketing, Sales, and Customer Success operations have made this choice

The answer to "build or buy?" will be different for every organization. We hope this comprehensive guide serves as a helpful tool toward making the right decision for you.

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Define Your Business Goals

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Too many organizations start the process of vetting technology with a list of features when the only questions that truly matter at this stage are two-fold:

What are you trying to achieve?

What problems are you trying to solve?

So, don't get ahead of things. When deciding whether to build or buy a lead management solution, it's important to identify the business goals at play.

Revenue Operations aligns to broad business goals such as:

- Overview of your purchased products and services

- Requirement-gathering activities

- Mutually agreed upon success criteria

- Project timeline including milestones and dependencies

"When an organization's sales, marketing and product functions are aligned, that organization achieves 19% faster revenue growth and 15% higher profitability."

Forrester

These broad business goals break down into specific Marketing, Sales, and Customer Success goals:

- Reduce lead response time by improving speed to lead

- Deliver a great customer experience

- Accelerate time to revenue

- Improve Marketing and Sales team productivity

- Increase upsell and cross-sell opportunities

- Generate new business

- Ensure campaign relevance

- Shorten sales cycles

- Increase deal sizes

- Manage buyer signals with context, accuracy and speed

Once you have identified your business goals, you will be better prepared to find a solution to match those goals. Your next step involves outlining the critical actions you would like RevOps to be able to manage and automate to support your goals.

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Revenue Tech Stack Capabilities & Features

Evaluate Revenue Tech Stack for Efficiencies: Capabilities & Features

Depending on what you are trying to accomplish, there are specific things you'll want your revenue tech stack to be able to do. The ultimate goal is efficient lead management through optimization: ensuring that your tools and systems are working together in alignment with your business goals.

As an example, the table to the right demonstrates some of the most common responsibilities of the Revenue Operations team involving lead-to-account matching and routing, eliminating software silos, and creating seamless handoffs through automation.

You'll either build or buy software to enable and automate these capabilities:

Routing Actions

Route and assign leads to the right Sales reps, at the right time whether round robin, account-based, or territory based distribution

Track lead assignment and paths to diagnose future issues (audit logs and routing insights)

Ensure a smooth flow of leads, contacts, accounts, opportunities, cases or any other CRM objects

Route leads quickly and accurately from all GTM channels including inbound, outbound, account based, channel, etc.

Automatically trigger outbound motions as appropriate

Auto-create and route opportunities in the CRM through auto-conversion

Assign upsell and cross-sell opportunities within accounts

Enforce service level agreements (SLA) and route accordingly

Hold records for enrichment or until other conditions are met prior to routing

Easily identify qualified, high-intent and engaged accounts and route accordingly

Matching Actions

Match leads to corresponding accounts by fields such as email domain, company domain, or custom fields of your choosing to enable account-based actions

Match using fuzzy logic algorithms in real-time Store data natively in your CRM

Show a holistic account view and context of each campaign member (lead or contact)
Customize tiebreakers and match rules

Address complex parent-child account hierarchies and duplicate accounts

Augment leads and contacts with matched account information

Merge duplicate leads and contacts as they're identified and specify fields to be preserved, prioritized, or combined

Creating Efficiency Through Automation

Auto-enrich leads and contacts with data to provide insight and context

Create auto-alerts through preferred channels

Recognize and respond to account-based signals

Automatically use related records in decisions and updates

Automate sales follow-up through integrations with sales engagement platforms

Allow leads and contacts, whether individuals or groups, to instantly book their preferred meeting time with an automatically assigned rep

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Decision Criteria

Establish Decision Criteria

After reviewing your goals, RevOps capabilities, and desired features for lead management, you are now ready to conduct an impact analysis, weighing important factors to analyze the possible effects of your decision before implementing a new solution.

Your decision criteria should include an analysis of:

- Cost

- Customization & Speed

- Integration Capabilities

- Transparency, Troubleshooting & Trust

- Transitioning & Onboarding

- Security

When conducting your impact analysis, remember that the experience a lead or customer has with your marketing messages and Sales team is often their earliest interaction with your brand.

"If the IT culture does not foster innovation, speed, agility, and delivery, then "buy" should be the first option in the build versus buy decision. If IT has a proven track record, then all options should be on the table."

Steven Stone
CIO and *Author of Digitally Deaf: Why Organizations Struggle with Digital Transformation*

A poor experience could include irrelevant messaging, duplicate outreach, or waiting too long for a follow up from Sales. Five minutes is the industry standard for lead response time, and empirical evidence proves it directly impacts your ability to drive revenue.

Consider how much effort and budget is spent attracting and engaging leads. All of that is wasted if follow up is slow due to lead routing and assignment, missed leads, or incorrect matching. It also creates a terrible first impression for buyers of what it's like to do business with you.

Establish Decision Criteria:
Cost

The dollar amount of a particular software solution is not the only consideration when looking at the cost of adding a new platform to your revenue tech stack. Think about your organization's growth rate and use a forward-thinking perspective to calculate the Total Cost of Ownership (TCO), managing and maintaining the RevOps solution over time.

Evaluate the following factors in your TCO analysis:

1. Development costs: If building, how many full time employees (FTE) will be assigned to the project and for how many days/weeks/months in order to build the desired solution? Determine if you have the funds to see this project through to the end.

2. Management and administrative costs: How many people (cost per head for FTE or consultants), and how much of their time will it take to manage the solution over the long term? Take into account the time and costs for making changes as well as troubleshooting. Are you under any time constraints to complete this project?

3. Cost of complex implementation: Implementation costs will rise as you add more complexity to routing and matching processes and other automations that require Operations/IT to write more code. As the number of sales reps, leads, accounts, custom objects and territories expand with business growth, consider the increase in complexity and its impact on administrative costs.

4. Employee turnover: With staff turnover, it takes time, and therefore money, to get caught up to speed, and to figure out the logic and flow of a custom-coded set of rules and if/then statements. So, when changes are required, many times there will be more overhead in figuring out what to do than there is in the actual doing. Without consistent, accurate lead routing, the accuracy of your database will decline over time.

5. Cost of an outage: In a custom build environment, if something breaks down, it becomes a surprise to the IT team. As a result, all of a sudden, the Ops team is dependent on IT to fix the Ops team's problem. And that problem may not be IT's top priority.
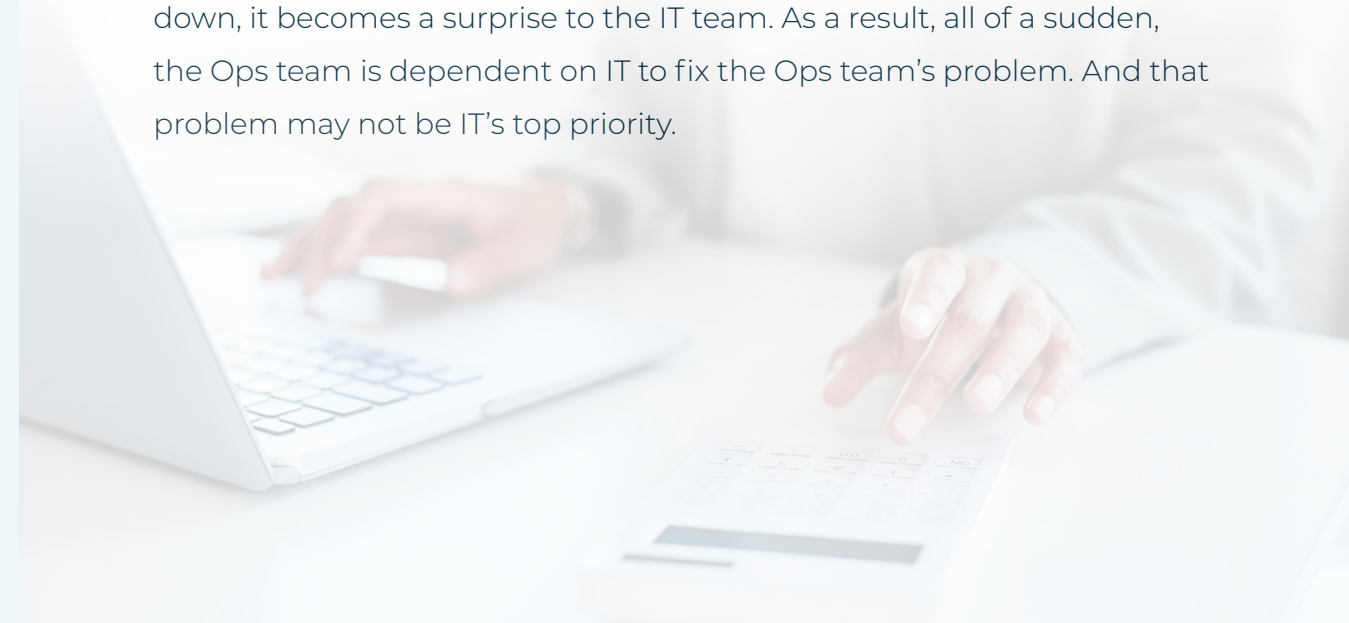
Establish Decision Criteria:
Cost (cont.)

On the other hand, a trusted independent software vendor most often has a high reliability rate. Moreover, they've likely made contractual commitments regarding uptime. Managed applications, like LeanData, benefit from high numbers of users as the platform must be dependable for 1,000+ customers, not just one. As such, noticeable bugs are almost always rectified quicker.

Downtime is not the only concern, though it is important. Process outages stop lead routing in its tracks, preventing leads from being routed where and when they should be. That means an outage could hold potentially hot leads in hidden queues, inaccessible by the reps who need to access them until a developer or system admin addresses the cause of the stoppage, creating long lead response times.

6. Cost of human error: Many home-grown processes require the intervention of an employee such as an Inside Sales Manager who manages lead queues for their respective team. Consider not only the cost for this employee and their time (and how that time could be used elsewhere, such as Sales coaching), but also the strong potential for inevitable human error.

> "More than one in four organizations don't believe their lead management systems and processes help deliver an ideal customer experience."
>
> The State of B2B Lead Management 2022

Establish Decision Criteria:
Customization & Speed

Every company requires complex and strategic lead routing scenarios to fit their business needs. When considering customization and speed, address these two important questions:

How difficult would it be to modify your lead management workflows to match a software vendor?

If building a solution, how quickly can your IT and Operations teams make changes to complex routing and matching processes and other lead management automation?

At some large organizations, change management is slow, sometimes taking months to plan for a change to be made, and even more months to add those code changes into production.

However, when dealing with issues as sensitive as sales leads, months are too long to wait. With increasing pressure to deliver, most B2B Sales and Marketing teams cannot afford to be held back by long development intervals.

When considering a custom build, ask:

- Where is our development time best spent?

- How quickly can we add new functionality to production?

- Can we be nimble if/when our strategy changes?

- At what point are we investing too much in custom code for it to be a good use of limited development and administrative resources?

When considering buying software, ask:

- How easy is it to make custom changes as our business requirements change?

- Is the user interface simple and intuitive for our users sitting outside of IT?

- Is the routing and monitoring occurring in real-time?

- Can we measure the effectiveness of the software?

- Is uptime guaranteed?

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Establish Decision Criteria:
Integration Capabilities

Integrating your software applications is essential to crafting a better customer experience and creating internal efficiencies. An integrated tech stack eliminates manual work (and the accompanying errors associated with manual work), streamlines processes, and increases visibility across the customer lifecycle. Not to mention, integrations make your employees' jobs easier.

Building a solution in-house often accounts for all necessary integrations, eliminating compatibility issues. However, you will still need to consider how your custom solution will connect to different data sources.

For purchased solutions, it's important to understand how the software integrates with other platforms in your revenue tech stack as ease of integration varies widely. In tech stacks, there are dozens of software solutions, and it's imperative that all integrate seamlessly so as to maximize both effectiveness and efficiency.

"An off-the-shelf-software that is purpose-built to integrate with other applications and support APIs could be your stepping stone to a digital future."

Yogesh Choudhary
CEO at FieldCircle

Establish Decision Criteria:
Transparency, Troubleshooting & Trust

Lead matching, routing and distribution is founded on a set of if/then scenarios. Here are a few common if/then decisions you will face:

- If/Then: What if more than one company or account has a particular name?

- If/Then: What if a lead has the same name, but a different email address?

- If/Then: What if a lead has the same email as another lead, but a different domain?

- If/Then: What if it's a new lead from an existing account? Should it go to a CSM (customer success manager) who owns the account or an SDR (sales development representative) who owns new leads from an existing territory?

- If/Then: What if the new lead works for a subsidiary that is based in a different country than the headquarters account already assigned to an SDR or CSM?

In the world of lead management, why something happened should follow an established decision-making path. Consistent, reliable lead management establishes trust and transparency with the Sales team. It also quells common conflicts or disputes that arise between reps competing for business. Then, when a lead is assigned to them, they can move forward with confidence in the process.

When lead management is created through custom code, it can be arduous to peel through the layers of code to reveal a record's path. Problems become difficult to diagnose when custom code (e.g. Apex code in Salesforce) and automatic triggers cause a particular sequence of events that lead to a routing decision. If your team can't quickly and clearly trace the history of a routing decision, this delay has downstream impact on both sales management, trust in Revenue Operations, and overall team morale.

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Establish Decision Criteria:
Transparency, Troubleshooting & Trust (cont.)

Lead routing should be:

✅ Fast   ✅ Tracked   ✅ Proactive

✅ Accurate   ✅ Transparent

If lead routing errors occur, most companies are reactive in their response. Typically, a sales rep discovers the error and escalates the record to operations or management. Consider the value of proactive issue alerts and admin notifications to remediate issues before they intensify.

When considering to build or buy, take into account the potential productivity and efficiency lost by poor lead troubleshooting processes.

"Within one quarter of optimizing their lead routing processes with LeanData, Cybrary saw a 64 percent increase in completed product demos and 133 percent increase in new pipeline."

Cybrary
2020 OpsStars Award Winner - Highest ROI Program of the Year

Establish Decision Criteria:
Transitioning & Onboarding

Legacy systems can be...messy.

Every business has a legacy routing system in place. In fact, some organizations have been using Salesforce for over 20 years. The more complex the system, and the more history it carries, the more complicated a migration to a new system becomes.

It's important to find out what the transition to a new lead management system will look like, whether considering building a custom solution, or an off-the-shelf solution.

Salesforce Expertise Matters

If partnering with a vendor, seek specific SFDC expertise. Migration should not stop you from mission-critical lead management tasks, such as providing efficiency for leads coming in, routing to appropriate swim lanes, and ensuring reps are following up with leads based on established service level agreements.

Choose a partner who can make your transition and onboarding process clean and efficient. The vendor should have extensive experience in the exact software you use to form the backbone of your GTM strategy.

Here to help!
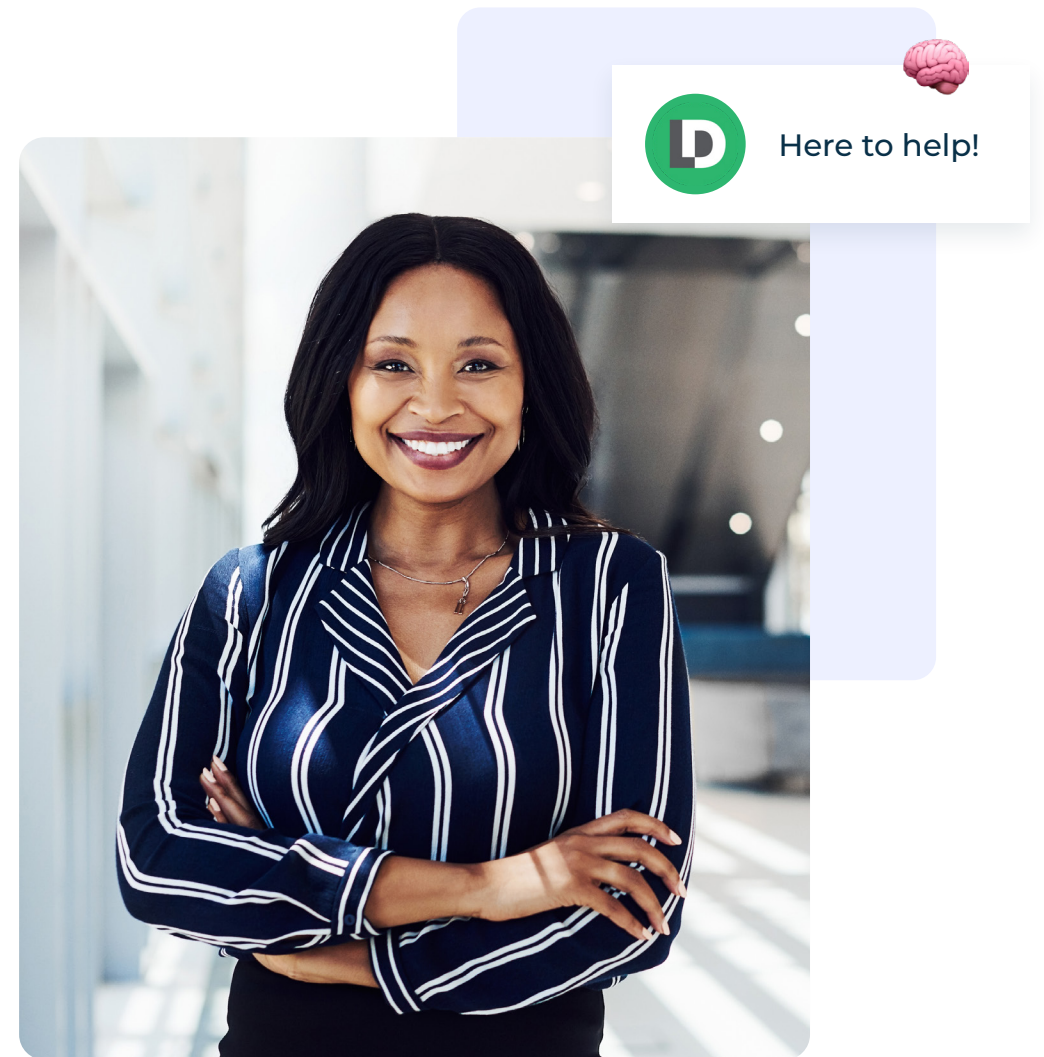
Winner of 2022 OpsStars Award for Lead Management Program Transformation of the Year

Dell's 10+ year Salesforce instance was weighed down with technical debt and over-customization. This caused slow page load times, performance issues, and problems with software upgrades. In addition, their Salesforce instance contained complex custom code which housed lead routing logic that only a few people understood. When a change in logic was needed, Marketing Ops team members had to work with IT to request the change. And with routing logic going through IT, individual changes would be implemented without being fielded by related departments to ensure it complied with global processes and best practices. Manual and redundant routing measures became the norm due to regional logic exceptions and, as a result, leads were taking much longer to get to the Sales Team.

The Operational Approach
Dell decided on the implementation of LeanData to empower their Marketing Ops to make day-to-day modifications to the Lead routing logic whenever changes were needed. The IT department maintained overall governance of the system, comfortable in its risk assessment that LeanData would not cause any major disruptions.

Next, marketing automation was moved into Salesforce with LeanData routing logic handling all processes surrounding lead management. The business transformation began with extensive tool evaluations, training, user acceptance testing and other requirements gathered from across the Marketing organization to ensure the accuracy of the newly established lead routing logic.

Operational Results
Dell describes the benefits of using LeanData as "astronomical." They can now provide data-rich leads to Sales in an amount of time previously thought to be impossible. LeanData allows reps to have high priority leads in a matter of minutes, while concurrently matching leads to existing accounts, making sure the leads are not spam, and updating the localized monetary currency based on the lead's geographic location. The transformation has increased sales revenue, decreased lead routing time, and allowed for better collaboration between Sales and Marketing. It has also provided opportunities for flexible lead solutions and freed up bandwidth and resources within the IT organization.

Establish Decision Criteria:
Security

Security is not only a top concern for organizations, it's paramount to protecting your customers' sensitive information within your CRM system. Security in your lead management system means that you protect your database as well as your data.

When choosing third-party vendors to support your Revenue Operations processes, seek a partner with well-documented enterprise security architecture. LeanData is a Salesforce-native solution. Because it lives within SFDC, data never leaves, thus mitigating potential security risks.

Safe & Secure

If you use Salesforce (SFDC), look for:

- SOC 2 Type 2 compliance

- An Independent Software Vendor (ISV) who has built on the SFDC platform and is listed in the AppExchange

- An ISV that has successfully passed an SFDC Appexchange security review

- A fully-blind security configuration: no data enters or leaves a SFDC organization via this managed application, and no outside entity has access to your Salesforce data

  - No attempts at any web callouts from the SFDC system

  - No granting of OAuth access to ensure no API calls can be made from external systems

- The use of an encrypted file to provision the Revenue Operations product

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Making Your Decision: Benefits Versus Risks

Making Your Decision: Benefits Versus Risks

As you make your final decision to build versus buy, we recommend you build your own version of this chart with the business goals and criteria you selected in previous sections of this ebook.

Benefits of Buying Technology	Risks of Buying Technology
Faster implementation	Vendor-controlled functionality
Lower costs up front	Contract restrictions
Dedicated support	Lack of customization (depending on vendor)
Community of users	Time to onboard and train
No development risk	Potentially buying features you don't need
Updates, new features and ongoing maintenance	
Domain expertise + proprietary advantages (e.g. algorithms)	
UI designed for non-technical users	
Guaranteed uptime (depending on vendor)	
Built native to CRM (depending on vendor)	

Benefits of Building In-House Custom Software	Risks of Building In-House Custom Software
Platform freedom	Slow build and deployment (including routine changes)
Customization	High management / admin costs for complex implementations
Ownership	Risk of incorrect software / code
Control over future roadmap	Lack of subject matter expertise
Potential competitive edge	Larger up-front expense
	Downtime and outage risk

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Partnering with LeanData

Partnering with LeanData

We are, of course, a bit biased when it comes to whether organizations should build or buy their lead management systems within their Revenue Operations tech stack. However, for organizations wanting to stay competitive with today's digital buyers, the ROI of LeanData is enormous. In fact, our customers have told us so:

Alation
"25 to 30 hours of manual labor per week time saved previously spent fixing routing errors."

Maxio
"10% increase in close rate."

Zuora
"As a result of implementing LeanData, speed-to-lead went from one to two days down to less than a minute."

Lead Management is a complex problem worth getting right.

Having a partnership with a vendor like LeanData brings with it the experience and best-practice knowledge of hundreds of complex RevOps implementations. We know, better than anyone, what the B2B Sales and Marketing industry needs to achieve with regards to matching, routing, meeting scheduling, and measuring the impact of their programs.

Compared to an in-house IT team, which can't be fully focused on Sales, Marketing and Customer Success, we have purposely built our software to beat a B2B organization's hairiest lead management challenges

Your business is constantly changing — sales reps get promoted or change territories, new reps start, campaigns are continually launched, etc. You need to move fast, and with precision.

Partnering with LeanData

Our matching and routing algorithms are tried and tested, with proprietary calculations and weighing that may take an in-house development team years to replicate. We understand the importance of various lead attributes such as email domain, company, website, phone number, and the need to add custom matching objects. Our product features automatic tiebreakers and prioritization rules to help each record find its way to the right account within your CRM.

Our goal is to solve the toughest lead management challenges quickly, fairly, and fully within your control.

LeanData is built natively in Salesforce. Our best-in-class customer success can help you overcome any migration or management concerns. In fact, over 1,000 customers have joined us on the Revenue Operations journey.
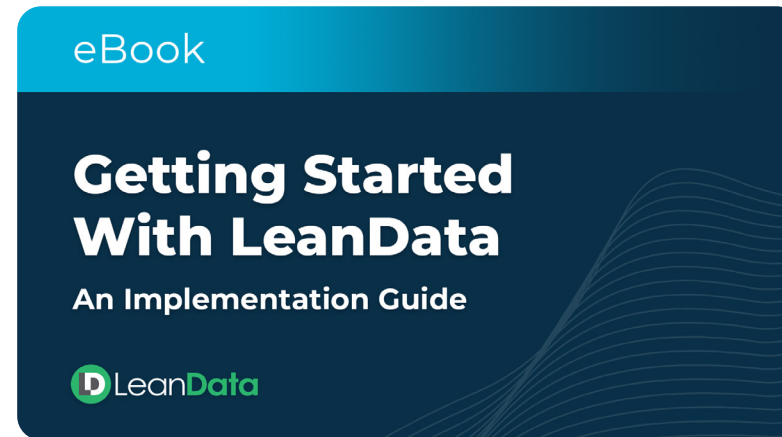
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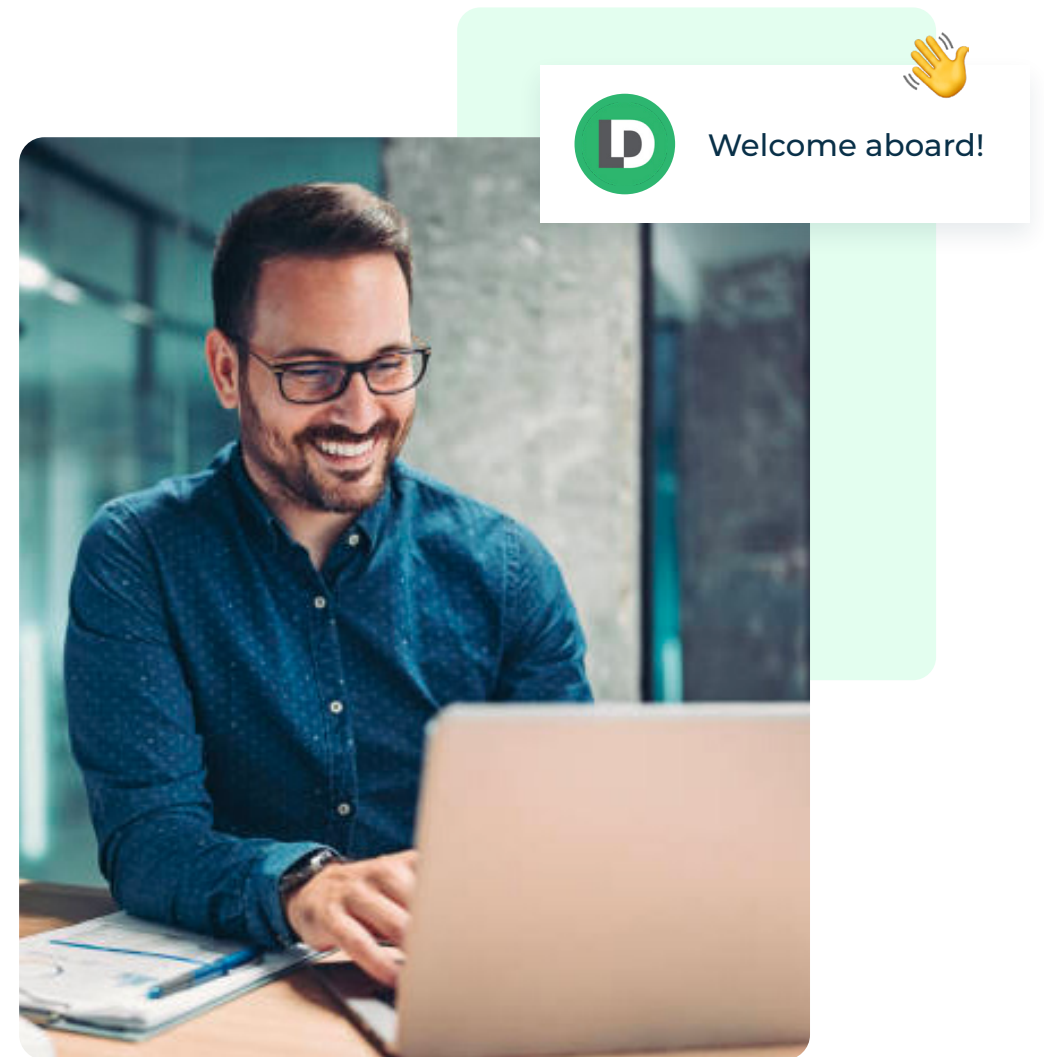
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Appendix

Recommended Readings

Lead Routing Buying Guide Checklist

GUIDE

Lead Routing Buying Guide & Checklist

eBook
Getting Started With LeanData
An Implementation Guide

EBOOK

Getting Started with LeanData:
An Implementation Guide

eBook
Measuring ROI with Lead-to-Account Matching & Routing

EBOOK

Measuring ROI with Lead-to-Account
Matching & Routing

Get Started Today:

Visit **LeanData.com** to learn more about LeanData's go-to-market operations solutions for Automated Scheduling, Matching, Routing and Engagement, or visit us on **AppExchange.**

Request Demo

Why LeanData?

Today's growth leaders power their B2B selling with LeanData, the gold standard in modern revenue orchestration and an essential element of the modern RevTech stack. The LeanData Revenue Orchestration Platform, powered by No-Code Automation, simplifies and accelerates coordination of all the people, processes and plays needed to transform buyer signals into buying decisions. LeanData is inspiring a global movement among its 1,000+ customers and community of 5,000+ OpsStars worldwide, empowering them with revenue operations excellence that translates into compelling buyer experiences and competitive advantage.

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