

Long live
~~MQLS ARE DEAD~~

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LONG LIVE MQLS

Something is up. In the last few years there has been growing dissent in the B2B marketing community.

Marketing Qualified Leads (MQLs) have been a cornerstone of marketing strategies, acting as crucial touchpoints for gauging early-stage engagement and measuring the effectiveness of marketing efforts.

But due to the macro-headwinds, insufficient nurture and bloated volume targets leading to a decrease in quality, the MQL is under fire.

MQLs play a pivotal role in the success of marketing campaigns - enabling demand generation that transitions unknown prospects into known buying groups, as well as building your owned audiences across paid and earned channels.

It's time to challenge some of the angst in the LinkedIn echo chamber and rebuild a demand generation strategy that works today.

Join us as we cover:

- Why the bad rap?
- What are the alternatives?
- Is the grass greener?
- Effective engagement tactics
- How to bring it all together

Before we rush headlong into new tactics that are untested let's review the data. In their [2024 benchmark report](#), Insight Partners state that high performers increased their closed won rate on MQLs by 84%.

The problem is not that you are generating MQLs. It's generating the right leads and working them correctly to close them.

“These companies stepped up their efforts in getting more targeted content and messaging... This investment paid off with their MQL to SQL conversion rate more than tripling and paired with a 37% drop in cost per marketing-sourced pipeline dollar.”

– Insight Partners

Why is the market questioning using Marketing Qualified Leads?

When it's done badly, mostly the pushback ends up in these categories:



It Creates Siloes

Misalignment between marketing and sales teams continues to be a challenge for many organizations. Sales teams may perceive MQLs as low-quality or premature leads, leading to frustration and a lack of follow-up.

Marketing and sales end up playing a never-ending game of hot potato with leads. Marketing tosses over an MQL, sales say it's not ready, and back it goes. It's like a bad tennis match where nobody wins. Teams blame each other when revenue goals aren't met. "We delivered X number of MQLs!" says marketing. "But they were all useless!" snaps sales. It's exhausting and demoralizing.

This misalignment can undermine the effectiveness of MQL-based strategies and contribute to their perceived lack of value.



Arbitrary Scoring

One of the primary challenges is the changing nature of buyer behaviors and preferences.

Today's buyers are more self-directed and often prefer to conduct their own research before engaging with sales teams. This shift has made it more difficult for marketers to identify and qualify leads using traditional methods.

Additionally, the increasing complexity of B2B buying processes, with multiple stakeholders involved in decision-making, has further complicated lead qualification. So, someone downloaded a whitepaper and watched a webinar? That doesn't indicate they will buy. Lead scoring often feels like assigning arbitrary points that don't actually measure intent.

The outcome? You get a bunch of leads that look good on paper but don't convert.

Content engagement is a vital part of buyer education and generating brand awareness and trust. However, if sales are working leads that will never be able to buy from you then it can ultimately cause wasted effort and loss of trust.

Misaligned Incentives

Traditionally in the "predictable revenue" playbook we are aiming for a steady stream of MQLs in the beginning of the funnel. This naturally caused targets to be set on lead volume. Unfortunately as pressure increases to hit those numbers, it can be tempting to take a Quantity Over Quality approach to lead generation, as Marketing teams push for higher MQL numbers to hit metrics.

Hit this month's MQL goal? Great. But what about nurturing those relationships for the long run? What are the conversion percentages of each source?

This can cause a loss of trust as marketing hit lead goals, but the company missed revenue targets.

This in turn can cause growing pressure on marketing teams to demonstrate immediate revenue impact. In many organizations, there's an expectation for marketing to directly contribute to pipeline and revenue generation.

This has led to a focus on metrics that are more closely tied to sales outcomes, sometimes at the expense of longer-term lead nurturing strategies.

What's the reality of ditching Marketing Qualified Leads?

There are 2 common routes for moving away from generating marketing qualified leads, with various degrees of adoption and success.

A)

ABM

Account-Based Marketing (ABM) is a strategic approach where a company targets specific, high-value accounts with personalized marketing campaigns.

The rise of account-based marketing (ABM) has also contributed to the shift away from MQLs. As more companies adopt ABM strategies, there's been a tendency to deprioritize or abandon MQL generation in favor of account-level engagement metrics.

Here are the pros and cons of adopting an ABM strategy:

Advantages of ABM Strategy

Personalization and Relevance:
Customizes marketing efforts to address the specific needs and pain points of target accounts. Delivers highly relevant messages and content, increasing the likelihood of engagement and conversion.

Disadvantages of ABM-only Strategy

Resource Intensiveness:
Requires significant time and resources to research, plan, and execute personalized campaigns for each target account. Demands dedicated personnel and tools to manage and optimize ABM efforts effectively. All of this comes with increased cost and complexity if you follow the advice of every expert.

"The tactics in question that get suggested for ABM are display, direct mail gifting, roundtable dinners, virtual events, custom landing pages. They can come with a "tech tax" of expensive software selling convenience and scale.

Make sure you know the total cost of ownership for your ABM tech stack and see if there are ways to use lightweight processes, AI and your partners to achieve personalization for less."

Advantages of ABM Strategy	Disadvantages of ABM-only Strategy
<p>Alignment Between Sales and Marketing: Fosters closer collaboration between sales and marketing teams by focusing on common goals. They work together to nurture and convert target accounts.</p>	<p>Increased Complexity: ABM involves detailed coordination between various teams and departments, which can be challenging to manage. Requires sophisticated data management and analytics to identify and track target accounts.</p>

“Even when you can track everything, aligning to get people in the org to action those signals over their Gut Feel is quite hard. If you go all in on dashboards, signals, scoops, notifications as the marketing process and sales do not action the data then you can see less impact than before. Even when sales are willing, they don’t know who to reach out to in the company or don’t have a warm intro if can be difficult to break in even when the timing is right.

When helping clients with this challenge in the past, we have advised generating MQLs from the Target Account List . This made a huge difference for these clients as they could focus on engaged individuals in the accounts they all wanted to win. It aligned their ABM goals with their sales and BDR output to give tangible data to follow up while using intent signals to know the account was researching their brand and solution.”

Advantages of ABM Strategy	Disadvantages of ABM-only Strategy
<p>Improved ROI: Focuses resources on high-value accounts, leading to potentially higher return on investment compared to broad-based marketing efforts.</p>	<p>Smaller Target Audience: Limits the scope of marketing efforts to a select group of accounts, potentially reducing overall lead volume. With all of your focus going outbound into your selected accounts you can actually miss high intent, inbound-ready accounts who are not in your focus area.</p>

“Look at how many deals you need to hit target, and your average ABM account sale cycle and win rate, and sometimes the will not be the volume and frequency of ABM deals needed to hit target.”



B)

DARK FUNNEL

The “dark funnel” includes activities such as independent research, peer recommendations, social media discussions, and content consumption on third-party platforms.

Adopting a demand creation strategy involves embracing these hidden interactions and leveraging non-traditional channels and tactics to influence potential customers.

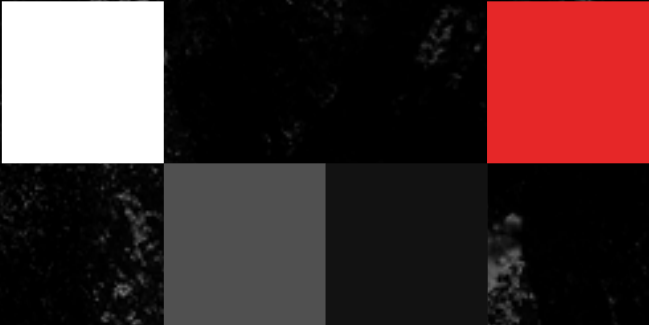
Here are the pros and cons of adopting a Demand Creation strategy:

Advantages of Demand Creation	Disadvantages of Demand Creation-only
<p>Broader Reach and Engagement: The dark funnel explores overlooked channels such as word-of-mouth, offline interactions, and dark social (private messaging and forums). It engages audiences organically, fostering authenticity and trust that can be harder to achieve through traditional means.</p>	<p>Limited Measurability: Demand creation only tactics lack the clear metrics and attribution models typical in traditional marketing, making it challenging to measure ROI. It is difficult to track conversions and tie them directly to impact on sales.</p>
<p>Just throwing out demand creation tactics into the void and waiting is a risk not just for the plan not working, but also for the marketer as their less enlightened colleagues start to question them. Without data to fall back on it can be hard to win colleagues over to your side that marketing is impacting revenue.</p> <p>The pundits advocating for the dark funnel aren't wrong, I just like a certain number of “streetlights” on that journey where I can see which engagement signals a prospect is showing and then act on them through additional nurture channels. – Ross Howard, Director of Insights & Intelligence</p>	



Advantages of Demand Creation	Disadvantages of Demand Creation-only
<p>Authentic Personalization: Allows for more personalized and contextually relevant marketing strategies by leveraging qualitative insights from non-traditional data sources like communities. Focuses on building closer connections with the audience by addressing their needs more personally with an insider tone of voice.</p>	<p>Resource Intensiveness: It takes significant time and effort to monitor and engage in non-traditional channels effectively. Also, increasing resource in organic channels where qualitative outcomes are expected is hit and miss.</p>
<p>“You have to have rockstar creatives who have the freedom to do unique content, consistently over time. Getting buy-in to do this, and actually having internal headcount alone can be a challenge in recent years.”</p>	

Advantages of Demand Creation	Disadvantages of Demand Creation-only
<p>Increased Flexibility and Adaptability: Encourages marketers to be more agile and responsive to changes in buyer behavior and channel dynamics. Emphasizes creativity in engaging potential customers in less formal and structured environments.</p>	<p>Inconsistent Outcomes: Results can be unpredictable, as dark funnels rely heavily on word-of-mouth and organic reach, which are less controllable.</p> <p>Dependence on organic interactions can lead to variability in success rates, making it harder to scale efforts consistently.</p>
<p>To get data sales can act on requires additional tools or methodologies to infer insights from unstructured data. Having the right access to that data, even if you want to scrape, collate, and feed it into an LLM to gain insights, is tricky.</p>	



What are the benefits of continuing to use MQLs?

Despite the challenges above, the fundamental value proposition of MQLs remains strong. Their ability to provide a structured approach to lead qualification and nurturing continues to make them a valuable tool in many marketing strategies.

As we explore the challenges and shifts in the current marketing environment, it's important to remember the proven benefits that MQLs can offer when implemented effectively.



Early-Stage Engagement:

MQLs help in identifying early-stage interest from potential customers, allowing companies to engage with them before they reach out to competitors. They act as a filter, distinguishing between casual visitors and those who have shown a genuine interest in researching their challenges and considering your brand as a potential solution.

Focused Resources:

By identifying and focusing on MQLs, sales and marketing teams can allocate their resources more efficiently, targeting leads that are more likely to convert. Prioritizing leads, ensuring sales teams spend time only on those with the highest potential, thus increasing productivity and efficiency is critical for generating return on investment.

Measurable and Scalable:

Marketing teams can set clear and specific criteria for what constitutes an MQL, making it easier to track, measure, and optimize marketing efforts. The process of generating and qualifying MQLs can be scaled up efficiently, aiding in the rapid growth and expansion of marketing campaigns.

Alignment with Sales:

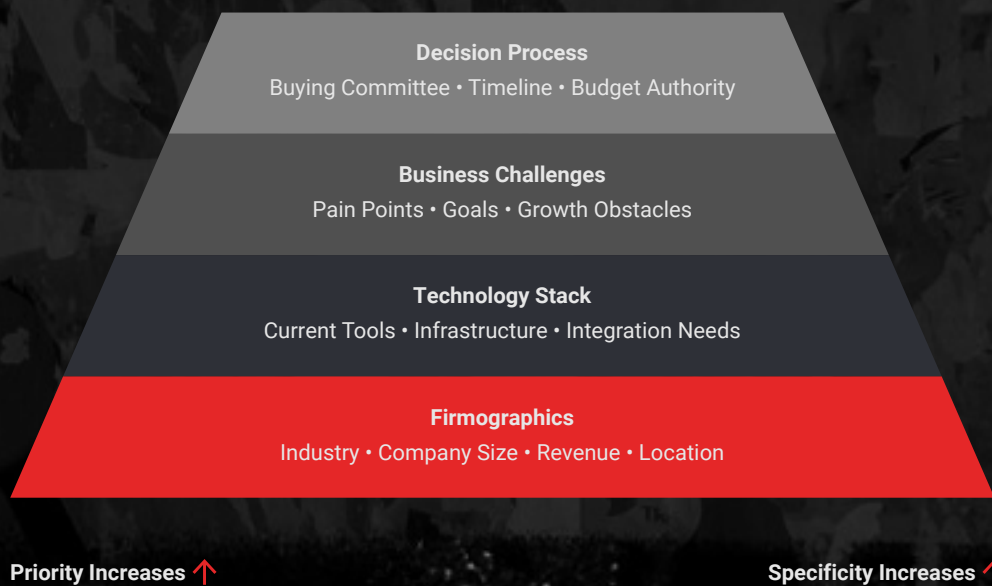
A clear MQL definition can create a structured process for handing off potential leads from marketing to sales, reducing chaos and improving collaboration. When criteria for MQLs are well-defined, it can shift focus to quality leads, enhancing the probability of sales success and alignment between teams. The key to this is truly honest feedback from both sides combined with trust that each team is playing its part in the process.

If we're going to stick with the MQL, what do we need to put in place to help them convert?

Be Data Driven

Go from guessing who you need to target to knowing who you need to target.

Choosing the list of who you will target from your ICP should be based on data points. The best datapoints to use that are more specific to your go-to-market goals. Historic wins will allow you to dig into why those accounts were the best fit and create a profile of other companies that match.



1st party data you have around accounts and individuals who are engaging with you will help you create a picture of the buyer journey that those accounts followed to conversion and allow you to create more wins from your marketing qualified leads.

Combining all the ABM tactics discussed earlier into your thinking about how to go to market will help. When you know the best fit accounts, that are engaging the most with your brand, you can create a process for creating lookalike lists and widening your focus while retaining quality.

By using intent data to be timely and activate when an account is showing interest, you are leaping ahead in the classic content marketing process. The lead is engaging with content already as they are in a research journey. By harnessing this and increasing the leads you generate from these accounts you move your brand into their eyeline at the right time.

Amazing Content

Too often the assets are whatever is available rather than being a lead magnet that will really resonate with the target audience.

According to the Insight Partners 2024 Pipeline Generation Survey “the demand-gen content types with the highest ROI are case studies, original research, and third-party reports. Three-quarters of companies also say improved case studies would have a significant impact on demand gen.”

Your internal bar needs to be very high for what you consider an engaging lead magnet. Depending on your target audience, go-to-market strategy and available resources, you will have different options for content than other brands.

Some key opportunities to resonate with your target personas are:

- 1) **Thought leadership** – by partnering with subject matter experts from within your space you are more likely to create engagement and lead the market. This is because unique opinions, combined with a credible, human voice, will always capture the audience more than brand-safe vanilla content. In our Technology Buyer Behavior study 2024 we found that 75% of decision-makers trust a brand more if it is affiliated with industry experts or influencers.
- 2) **Vertical use cases** – provide in depth examples for how your solution can be deployed in a particular industry. While more niche than others, this asset type will engage buyers within that industry better than average due to increased relevance. Use real datapoints aggregated from your customers in that industry to increase legitimacy.
- 3) **Line of business tactics** – the job titles within your target personas are always trying to improve their effectiveness in their role. By making content that provides step by step advice for how department managers can perform better you will show that you understand them and generate brand equity.
- 4) **Take the pulse of the market** – content that is reinforced with data has more authority. If the content is a survey of their peers, it will attract the audience to engage as they benchmark their own performance and maturity vs their contemporaries. Increasing the sense of FOMO by providing spin off virtual events and roundtables discussions will allow you to make this asset work harder for you over the year.

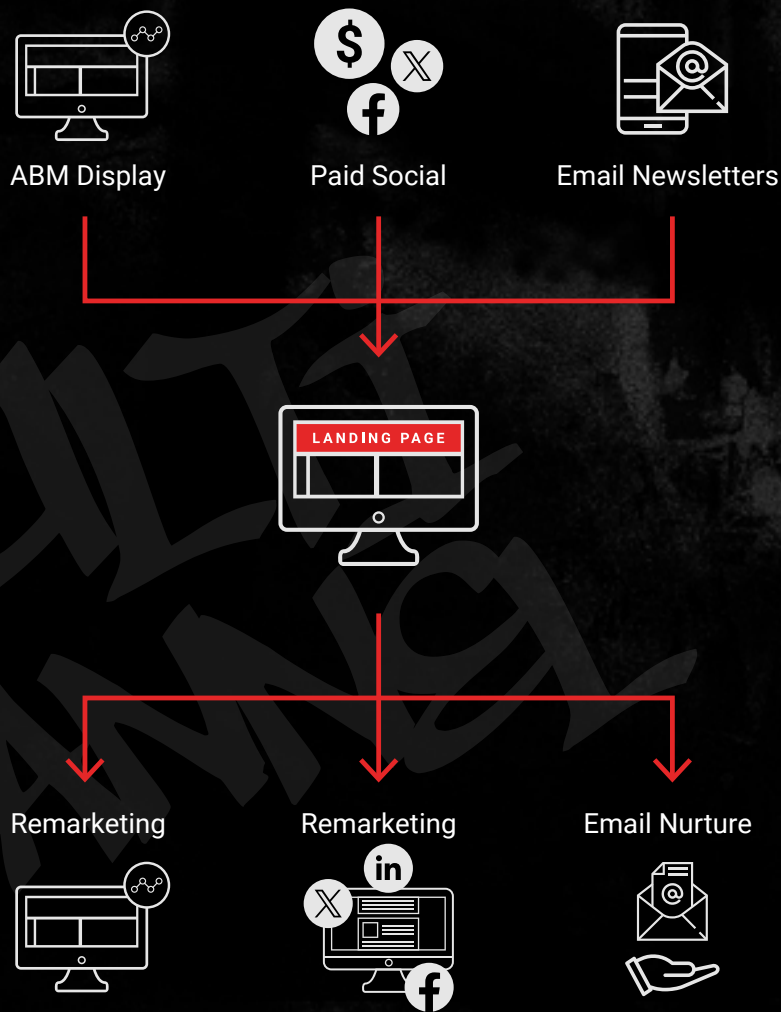
Creating content like the above will not only boost your response rates, but also qualitatively the campaign is better and the follow up conversations will be more engaged.



Multichannel Nurture

Email drip feed alone is not enough anymore. With digital you can be ubiquitous and remarket to the individual and the account across display, social and video to surround them with your content.

Dynamic retargeting lists that pull in qualified leads and optimize budget towards the accounts your leads are generated from to increase engagement and pipeline velocity.



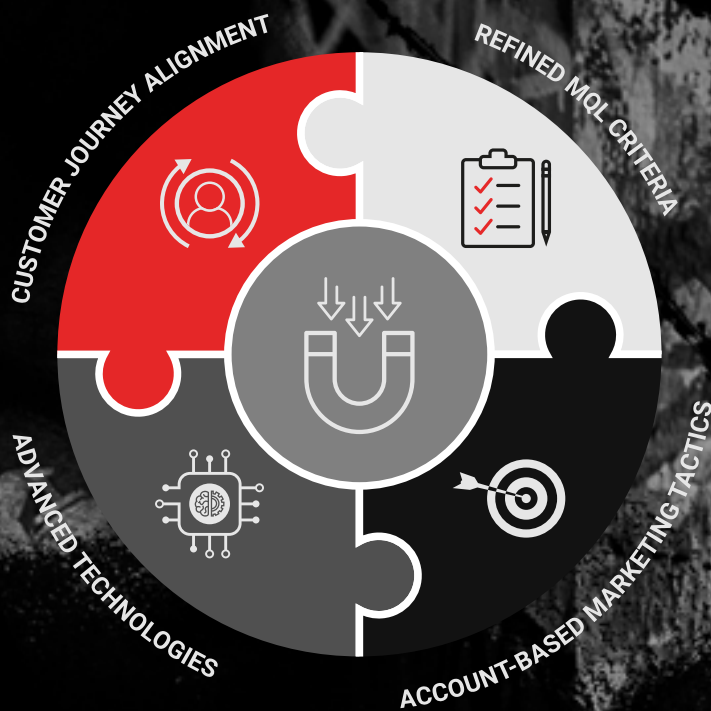
Partner with sales and SDRs and think about how the social selling and outreach can engage with the leads you are generating even if they are at an early stage. Having a personal touch will engage them more.

Focus this on offering additional value and not on closing too soon. Having additional virtual events, use cases, firesides, or roundtables to bring them into the funnel with more depth will help them with their research process. Being personalized and relevant will make your brand stand out from your competitors and bring in more wins as you solidify loyalty earlier in the sales cycle.

How do you combine demand creation and lead generation for an integrated strategy?

Lead generation tucks into the overall demand generation process. Marketing Qualified Leads (MQLs) offer a systematic, data-driven approach to identifying, engaging, and nurturing potential customers.

Integrating MQLs in Holistic Marketing



They help in aligning marketing and sales efforts, improving resource allocation, and driving more predictable revenue growth. By focusing on early-stage engagement and providing valuable insights into marketing effectiveness, MQLs play a crucial role in the overall success of marketing campaigns.

The key to success in modern B2B marketing lies not in abandoning MQLs, but in adapting and integrating them with newer strategies and technologies. By refining MQL criteria, combining them with account-based marketing tactics, leveraging advanced technologies, and aligning them with the overall customer journey, organizations can create a more comprehensive and effective lead generation strategy.

Customer Journey Alignment

Analyse which 1st party touchpoints are leading to closed won deals. Make more content on these topics and with popular formats, and push this back into the market to replicate your success. Make sure you have assets for each step of the buyer journey.

Refined MQL Criteria

Putting the qualified back in marketing qualified is key for making this a valuable channel. Asking insightful questions on your lead capture forms, in BDR prospecting and in sales discovery will allow you to quickly establish which leads are a good fit. Turning this into a positive feedback loop where you adapt your targeting to reflect those companies can improve marketing budget efficiency.

Advanced Technologies

Intent data and generative AI personalization have been democratized in recent years and are now more available. That allows you to optimize your campaigns more than ever before. Deploying these tools within your campaigns to create relevant messaging and improve your timing will boost response rates.

Account-Based Marketing

Overlaying account-based targeting into your campaigns will allow you to generate leads from the companies that matter to sales. Reporting on content engagement, website dwell time, and ad impressions by account on top of leads generated will align all marketing engagement with sales prioritization. (It will also show how marketing is making progress with the account). This will boost account penetration and promote alignment with goals across teams.

This balanced approach allows companies to maintain the valuable insights and nurturing capabilities of MQL-based strategies while also embracing the benefits of newer marketing methodologies. It enables organizations to cast a wide net for potential opportunities while still focusing resources on high-priority accounts and immediate revenue generation.

Organizations that can successfully integrate traditional MQL strategies with modern approaches will be well-positioned to navigate these changes and drive sustainable growth.

By viewing MQLs as part of a larger, holistic marketing strategy, companies can optimize their lead generation efforts and create more meaningful connections with potential customers.



Closing Thoughts

We need to evolve our strategies surrounding MQLs in demand generation. The traditional methods are no longer sufficient in isolation.

By emphasizing high-quality content, utilizing comprehensive ABM tactics, and adopting multi-channel nurturing strategies, organizations can significantly enhance the effectiveness and engagement of their marketing campaigns.

Ultimately, the key to overcoming challenges lies in embracing innovative approaches and combining them with 1 to 1 lead generation tactics. By doing so, marketers can navigate the dynamic landscape and achieve sustained success in demand generation.

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