

# Covad Boosts Close Rates 125 Percent Using MarketSoft's DemandMore•Leads

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— Diane Chow  
Vice President of Channel Marketing  
Covad Communications

## Company Facts

### Covad Communications

**Headquarters:**  
Santa Clara, CA

**Core Business:**  
Leading DSL Broadband Internet  
Access Provider

**Business Problem:**  
Ineffective Leads Distribution and  
Tracking Process Reduces Channel  
Partners Sales

**Technology Solution:**  
MarketSoft's DemandMore•Leads  
Web-based Lead Management

**Results:**  
125 Percent Increase in Leads-to-  
sale Conversions

Prospering in today's Internet service business market depends on a lot more than delivering high-speed connections. It requires effective marketing—the kind that has made Covad Communications the nation's premier DSL broadband Internet access provider.

Since its founding in 1996, Covad has soared and now serves a user community that includes more than 42 million U.S. homes and businesses. Selling its services through a network of 250-plus ISPs, the Santa Clara CA-based company invests millions of dollars each year on demand initiatives that generate thousands of leads per month.

Previously, however, Covad relied on a hodgepodge of spreadsheets, phone calls, faxes and emails to route its sales leads. These manual processes not only consumed precious and costly man-hours, they were highly ineffective. Leads were often lost or delayed for weeks in reaching Covad's ISP partners, and the firm had no efficient way to track them.

Faced with an infusion of even more leads as a result of two major acquisitions, Covad revolutionized its leads distribution and tracking process with DemandMore•Leads™, a powerful Web-based leads management solution from MarketSoft of Lexington, MA. Using DemandMore•Leads, (formerly eLeads), Covad dramatically increased its leads to sales conversion rates and significantly raised its revenues.

“DemandMore•Leads has truly helped us solve a big problem,” said Diane Chow, Covad vice president of channel marketing. “I now have the ability to know where every lead is at all times. DemandMore•Leads alerts me if a channel partner is not working leads, if they are getting more leads than they can handle or even if a contact has left the company. Our close rates have increased by over 125 percent.”

### Making the Most of Every Lead

Driven by DemandMore•Leads, Covad's leads management process is now a model of efficiency and profitability. Utilizing the system's wizard-based rules engine, Covad can now effortlessly establish criteria to instantly qualify, enrich, assign, distribute and track every lead—all without any support from IT personnel.

The intelligent MarketSoft solution, for example, lets Covad determine which ISP receives a lead based on any metric, from simple geography to a customized weighted average scoring calculation. It enables the communications company to enhance leads with strategic business data from Dun & Bradstreet. The platform-independent system also lets Covad route leads to ISPs using recipients' chosen technology, including Web sites, sales force automation clients, email and wireless devices.

Covad's leads management process begins with DemandMore•Leads collecting leads from the company's Web site and call center. The system then automatically qualifies each lead based on geography and products sold and routes the lead to the ISP partner best suited to manage it.

With the lead distributed, Covad uses the system's Watch and Alert feature to ensure that it is accepted. Should a lead lapse for a period that exceeds Covad's preprogrammed rules, DemandMore•Leads' Round Robin feature automatically removes it from that ISP's lead box and reroutes it to the next qualified channel partner.

Once a lead is accepted, DemandMore•Leads' dynamic measuring tools automatically track the lead up to and including the closing of a sale. Covad, as a result, not only can capture its marketing ROI, it also employs an ideal ISP lead distribution strategy based on its partners' lead acceptance, time to contact prospect, time to close and size of the prospect. Using DemandMore•Leads' "carrots and sticks" feature, for example, Covad rewards its most effective ISPs with higher volumes of quality leads and weeds out unproductive partners using documented performance figures. With DemandMore•Leads, Covad's ISP partners now follow up on leads within two-to-four hours.

"Our larger partners are receiving hundreds of leads each day," said Chow. "With the efficiency of the MarketSoft system, the leads get to the ISPs very quickly. People are amazed when they are contacted within minutes of requesting service and will say things like, 'Wow, that was fast. I was just on the Covad Web site.'"

## Optimizing Channel Profitability

Covad's use of DemandMore•Leads emerged from the fast-growing company's need to capitalize on increasing numbers of leads pouring into its Web site and call center. Relying on purely manual processes to route and track its leads, the communications company was unable to leverage the bountiful sales potential its marketing programs provided. Lost leads and slow responses resulted in lost revenue—a problem the company recognized would likely exacerbate in the wake of its acquisitions.

"It was very frustrating," recalled Chow. "I knew we were doing all the right things from a marketing standpoint to reach our prospects; we just had no efficient way of getting the leads to the channel. Moreover, we had no way of knowing what our partners were doing with the leads. I know we were losing business, but with the old methods that were in place, I didn't even know how much."

Because ISP customers often make quick decisions when signing up for Internet service, Covad's slow lead distribution process had a particularly ill effect on the company's ISPs. "This business is highly competitive," said Chow. "If someone shows interest in your products, you had better get back to them and get back to them quickly. The next vendor is just a click away."

With DemandMore•Leads directing Covad's lead distribution, the company's channel partners now enjoy fast access to every lead via any standard Web browser. No software or user training is required. To access the system, they and their Covad colleagues licensed users simply go to a URL and log in their user name and password. The MarketSoft system integrates seamlessly with contact management applications such as ACT, Goldmine and Outlook, enabling Covad and its ISPs to use their preexisting contact management applications. DemandMore•Leads can also bridge to users' sales force automation solution, providing detailed sales histories on every customer.

In addition to receiving more timely and better qualified leads, Covad's ISPs also can program DemandMore•Leads to set up their own business rules based on their workflows and strategic objectives. Using these criteria, DemandMore•Leads instantly delivers all the new opportunities and qualifies them every time a user logs on. In addition to eliminating the need to constantly check for leads, Covad's ISPs now work only on the leads with the highest prospect of closing.

Buoyed by the resulting 125 percent increase in its lead to sales conversion rate, Covad has turned its channel marketing from a problem area to a flourishing profit center using DemandMore•Leads. "We used to fear that we weren't supporting our channels with the right lead information," Chow concluded. "Through DemandMore•Leads and the opportunities it's uncovering, we now know we are getting the greatest value for ourselves and our ISPs."



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