# Podcast Script: Leads vs. Contacts

Welcome to this 60-second Sugar snippet. My name is Susie Williams and today we're going to discuss the differences between a Lead and a Contact. Which to use when, and why? Well, hold on to your hats because we're going to clear up any confusion you may have.

But in order to spice up the topic, we're even going to throw in Targets, which are central to the Campaign Management module. So, what are the differences between Targets, Leads and Contacts?

Well, the elevator pitch goes like this: Targets feed into a campaign; leads respond to a campaign; and contacts are highly qualified leads that are part of a longer-term selling process.

There you have it … and that wraps up this 60-second Sugar snippet.

Nah … there's more to it that that!!!

Targets, sometimes called "Suspects" in other CRM systems, are entirely transitory. For any given campaign they're frequently imported from a mailing list, or they may stem from existing leads and contacts. Targets can be mopped up, deleted, and scrubbed to no lasting effect. Once the campaign is run to completion, a Target's usefulness is lost. It's possible and undoubtedly a Good Thing to convert a target to a lead.

Which brings us to leads. Leads are individuals that have expressed an interest in your campaign. Leads personify the fuzzy boundary between marketing and sales efforts. They're not as transitory as Targets, yet they lack the substance and permanence of a Contact. A given individual may appear in several leads, each lead stemming from a separate campaign. You can, of course, freely create leads to your heart's content independent of a campaign. In any event, at some point a qualified lead is worth pursing in a more formal manner. For this you convert the lead. Converting the lead signifies that it is worthy of serious sales attention. It represents movement further from marketing and towards the sales arena, though the link back to the campaign is never lost so you can track the effectiveness of your marketing campaigns. A converted lead typically yields an Account record, a Contact record and an Opportunity record. The Account describes what entity we're doing business with; the Contact indicates who we're dealing with; and the Opportunity represents deal timeframes, amounts, and the details of this particular sales opportunity.

Now, on to Contacts. Contacts are individuals you have done business with, or will likely do business with in the near future. Unlike leads, you should have only one record for each contact, and Sugar performs checks to notify you of violations to this rule.

The differing nature of targets, leads and contacts governs the actions you can take on each. For instance, a lead is not bound to an account, though you can type a freeform account name in a lead. Why bother creating an account for an unqualified lead? Contacts, on the other hand, are directly linked to an account when one is specified. Only Contacts are synchronized in the Outlook Plug-in. Contacts can be associated with Cases, Bugs, and Projects – providing long-lasting, meaningful context appropriate for a contact but not a lead, and certainly not a target.

Finally, it's important to note that Sugar's flexibility allows you to skip targets and leads altogether and go straight to contacts. That's perfectly fine. Your business requirements will drive the appropriate use of these types of records.

A future podcast will describe the differences between Accounts and Opportunities. And if you have any questions, be sure to check out related Sugar University topics available at university.sugarcrm.com.

And that's your 60-second Sugar snippet. Goodbye!