Best MCA Lead Generation Strategies For Business Funding Companies

Description

The Leads Ware House

By James Schulze

This article discusses what comprises a strong MCA lead strategy and what lead generation channels work best for funding companies. It also gives insights on what else MCA providers can do to make sure their MCA leads work.

The U.S. market for merchant cash advances (MCA) is expected to grow at a CAGR of 7.2% from 2026 to 2032. Valued at $19.65 billion in 2024, the MCA market size should reach $32.7 billion by 2032. Some estimates even suggest higher growth rates. While this is exciting, sales growth is not guaranteed for MCA providers. Funding companies will need a consistent lead flow to scale effectively. And that requires a strong lead strategy.

What makes a strong MCA lead strategy?

A strong lead strategy will help funding companies:

- Generate sufficient lead volume
- Maintain lead quality
- Control costs

The most effective MCA lead strategies often contain a mix of different lead types, as no singular channel can deliver at the highest level on each of these three points. So, what are the most frequently used channels for generating MCA leads?

Frequently used MCA lead generation channels

MCA providers have a plethora of lead options when developing their lead strategy (read our blog, â??What Are MCA Leads? Types, Costs, And How Funding Companies Use Themâ?•). The most frequently used channels for generating MCA leads are:

1. **Business data leads** â?? Business data leads are considered the â??backboneâ?• of outbound MCA sales efforts. Each data record includes key information on the business and its owner. These data are often loaded into dialers for telemarketing efforts, but are also frequently used to run SMS campaigns and email outreaches. Business data leads allow funding companies to target their sales and marketing efforts on the right audience for their products. Our top MCA clients look for businesses with steady revenue and in specific industries, such as construction, retail, and services. Companies with funding histories are also key targets. Beyond helping an MCA provider focus on the right targets, they also help them reach business owners directly. The massive volume of business data leads can be critical to scaling efforts, bringing more conversations and more deals.
2. **Aged MCA leads** â?? Aged leads are also an important option in helping funding companies expand their pipeline and scale their MCA operations. A key benefit of aged leads versus business data leads is that aged MCA leads are opt-in. That means at some point, usually within the last year or so, these business owners have expressed an interest in an MCA and have applied for funding. They are a bit further down the sales funnel. Aged MCA leads have a lower cost per lead than real-time leads, but they still allow funding companies access to intentful business owners (read our blog, â??How Much Do MCA Leads Cost In 2026?â?•). And they may still need capital. But aged leads only work well if MCA providers are willing to commit to a strong follow-up cadence, as these leads will require more touches to close. Persistence will drive results.
3. **UCC leads** â?? UCC leads are one of the most powerful tools in the MCA industry. These leads are created when a Uniform Commercial Code filing is made, indicating that a business owner has not only applied for funding, but it has been approved and received funding within the last 30 to 90 days. Why is this important, since theyâ??ve already recently closed on funding? Because research shows that once a business owner has received funding, they are likely to reapply for funding in the future. An added bonus is that they already fully understand MCAs and are further down the sales funnel. Funding companies often target the most recent UCC filings to offer additional funding or position refinancing solutions, resulting in higher-quality conversations.
4. **Real-time applications leads** â?? Real-time applications/submissions leads deliver timely opportunities with the highest-intent business owners. These business owners have completed and submitted an MCA application and the application goes to the funder in real-time. They have an active need for funding and they are ready to talk now. They are typically generated through paid search, landing pages, and partner traffic. The business owner provides their contact information and basic information related to their business and funding needs, instantly becoming an opt-in lead. Real-time applications/submissions leads are priced higher per lead and have limited volume, but they bring fast closes and higher conversion rates.

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Which MCA lead generation channel is the best?

So, which lead generation channel is the best fit for an MCA provider? It depends. What is the company trying to accomplish? What are the skills, roles, and staffing levels of their sales team? What technology do they have to support each type of MCA lead? And, whatâ??s the budget?

In reality, the best-performing funding companies recognize the need to employ multiple channels for MCA leads. They often combine:

- **Business data leads** to fuel their outbound sales efforts

- MCA **aged leads** to give them strong lead volume for scaling their business
- MCA **real-time applications/submissions leads** to connect them with high-intent business owners for quicker closes
- MCA **UCC filings** to market to businesses that might need another position, consolidation of multiple positions, or to renew an expiring MCA

How funding companies can make sure their MCA leads work

Creating a solid lead generation strategy is essential, but it doesnâ??t guarantee success. MCA leads need to be managed and supported properly as they move through the sales process. Top-performing MCA providers improve the effectiveness of their leads by:

1. **Using multiple communication channels** â?? While many outreaches to business owners start with a phone call, funding companies will see higher connection rates if they also incorporate SMS and email outreaches. Each business owner has their preferred means of communicating and responds differently to phone calls, texts, and emails.
2. **Quickly contacting leads** â?? Speed in contacting a lead is one of the most critical success factors in reaching and converting leads. Regardless of the lead type youâ??re using, best practices suggest calling the lead *immediately* after it delivers and keep reaching out for the best results.
3. **Building a follow-up system** â?? This is especially important when using leads that need multiple outreaches and discussions to cultivate, such as business data leads, aged leads, and some UCC leads. A typical follow-up plan is to make multiple attempts at contacting the lead on Day 1. Reach out daily from Day 2 to Day 5. After that, keep making continued contacts, as it could take at least 12 tries to reach the business owner.
4. **Tracking key metrics to optimize performance** â?? MCA providers will want to keep an eye on their contact rate, approval rate, close rate, and cost per deal to ensure they are fully optimizing their marketing efforts.
5. **Focusing on tech requirements** â?? If you donâ??t connect with a lead, you wonâ??t close it. Top-performing funding companies understand the importance of having the right tech stack to reach business owners. Clean caller IDs are needed for outbound calls. A2P and 10DLC registration is required for SMS campaigns. Domain authority is critical for email marketing. MCA providers will want to understand telephony law related to B2B marketing, or align with a partner who does.
6. **Creating effective scripting** â?? Business owners have different paths to funding, and an MCA providerâ??s scripting should reflect this. You will want to match your scripting to the opt-in experience, or how the business owner became a lead. UCC filings provide cold outreach opportunities to experienced borrowers, so call accordingly. If youâ??re using business data leads that have not opted-in to discussions, youâ??ll need a cold call script. Meet the business owner on their funding path with a script that works. Otherwise, you could shut down conversations and the opportunities to close.

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Conclusion

The MCA market is expected to grow substantially over the next seven years, but that doesnâ??t mean that individual funding companies are guaranteed to grow. It will take a solid lead strategy, one that

combines multiple lead generation channels to capitalize on the strengths of each lead type. But funding companies will also need to ensure their outreaches to business owners are timely, varied in terms of communication channels, part of a structured follow-up system, and guided by scripting that reflects where the business owner is in their funding path. Are you ready to talk about how you can grow your MCA sales pipeline?

About the author

James Schulze is the President and CEO of The Leads Warehouse, a marketing data company with over 20 years of experience in bringing lead generation solutions to companies selling into the home, automotive, financial, insurance, health and life, and legal sectors. He works directly with clients to optimize conversion strategies and ROI across multiple verticals.

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If you are serious about growing your MCA business, the right blend of sales leads is critical. Our team works with funding companies to maximize their ROI on MCA sales leads. Call **1-800-884-8371** or visit The Leads Warehouse to get started.

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