

SUPERCHARGE YOUR DEMAND GENERATION WITH MARKETING AUTOMATION:

The Power of Knowing Your Buyer and Your Buyer Knowing You



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SECTION:

THE days of spray and pray are over. The Internet has fundamentally altered the buying process, and discerning buyers are expecting more. Potential customers do their homework before they engage in the sales process, and are looking for educational material that is relevant to them. Subsequently, demand generation practitioners can no longer plan on 3-5% response rates just from email marketing to fill the top of the demand gen funnel. The competition for mindshare and wallet-share of buyers and decision makers means we have to be smarter about how we use our lead generation budgets. If you're considering marketing automation, now is the perfect time to assess your entire demand generation program – and how they might fit together so you can maximize your efforts to deliver more qualified leads.

And what do we mean by demand generation vs. lead generation? Demand generation is the entire marketing and sales funnel, from raw inquiry to closed deal. Lead generation feeds the top of that funnel.

The example on the left shows a lead generation process when it only feeds the top of the marketing/sales funnel, without automation. The example on the right shows the power of marketing automation on your entire demand generation process and sales cycle.

Before we look at your demand generation program, a word about the term marketing automation. It can be misleading. Let's talk first about what it is NOT:

- It's not a band-aid for your marketing and sales pipeline woes.
- It's not a replacement for part of your sales team.
- It's not going to reduce your workload, human resource requirements or budgetary expenditure.
- In some cases, it's not going to reduce your reliance on your IT department.
- It's not something that you can just set and forget – it requires constant optimization and testing.



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Supercharge Your Demand Generation with Marketing Automation

continued



About the Author

Sue Hay, CEO of BeWhys Marketing, Inc, is passionate about helping clients create and execute

demand generation campaigns that deliver real results. She is dedicated to using the latest and most appropriate technologies and practices – from marketing automation to lead nurturing, lead scoring and building personas – to help companies cost-effectively achieve their vision, reach their goals and grow their business. She also believes that marketing’s accountability within an organization should be the same level as sales or client services. In her professional career, Sue has had experience in nearly every aspect of corporate marketing and communications, including event management and planning, channel marketing, corporate communications and public relations. For more information, go to www.bewhysmarketing.com or email Sue at shay@bewhysmarketing.com.

SECTION:

- It’s not going to automatically give you process – you’re going to have to put those in place too.
- And although many marketing automation tools look easy to use, they may not be quite as easy as their sales reps claim. It’s a whole new way of thinking.

What marketing automation tools ARE:

- Tools in your lead management process that help you identify, qualify and distribute more sales-ready leads.
- Like your content management system (CMS), collateral, marketing activities, customer relationship management (CRM), they are part of your marketing tools arsenal.
- Powerful tools that come full featured. Some marketers may only use them as an auto responder or email marketing platform, but they are much more.
- A way to develop and monitor tightly focused lead generation and lead nurturing campaigns – to learn more about your potential customers’ needs and deliver relevant content to the right prospect at the right time.
- Over time, they can help you make better decisions about your marketing spend by providing visibility into which marketing campaigns and activities are working and which aren’t by tracking raw leads all the way to closed sales.

They can help you make informed business decisions on the best use of those valuable marketing dollars.

- And, depending on the tools’ capabilities, they can increase the contribution of Marketing to the revenue pipeline by making them more accountable in terms of the number of qualified leads passed to Sales and the revenue generated from those leads.

Marketing automation tools require thoughtful programming, an understanding of your buyers’ cycle, marketing best practices, alignment of your marketing and sales teams to identify and agree on the lead management process... and time. Time to implement, time to optimize, time to start building the useful data that can provide the analysis you need to target customers’ specific needs.

As we mentioned earlier, customers today are much better informed. They conduct their initial research online, searching websites, discussion boards, blogs and reviews. They exchange ideas with colleagues and friends. In fact, the SiriusDecisions 2010 Summit report showed that 51% of buyers cited peers as the most trusted source for initial research and 29% continued to consult them throughout the buying cycle. This confirms that social media marketing should play a certain role in your demand generation strategy.

Supercharge Your Demand Generation with Marketing Automation

continued



About the Author

Cari Baldwin, founding partner of BlueBird Strategies, focuses on building and executing strategic marketing and sales programs for clients. She is a seasoned demand generation professional, with skills in combining strategic thinking and creativity with a keen eye on results. She is a proven problem-solver, with a solid track record in demand creation, lead nurturing and lead management at companies such as Composite Software, E2open, Host Analytics, LiveOps, Saba and Workstream. Her strengths include lead nurture content and process strategy; demand generation planning; content and offer development; program planning, management, execution and analysis. Cari values relationships and has a long-standing history with many of her clients.

SECTION:

As a result, the buying process has changed significantly. Marketing automation tools can help us understand potential buyers – what problems they’re trying to solve and when they’re ready to buy – by examining what they’ve looked at on your website. We can see what pages they’ve accessed and which whitepapers, webinars or blog posts interest them most. That enables us to deliver content that is relevant to them, helping educate them and building trust. Marketing automation tools help provide valuable demographic background and behavioral insights for sales reps when they engage with a prospect. That helps them ensure that trust is not broken and the prospects’ time, intelligence and business needs are respected. Imagine the power of transitioning this knowledge to your demand generation process.

“In the B2B marketplace, people don’t buy from websites, they buy from people,” says Dr. Flint McLaughlin of MECLABS. They buy from your sales reps. As marketers, it’s our responsibility to provide those reps with as many sales-ready leads as possible – and marketing automation is just one tool to get you on the right track.

Here are some tips to help you more efficiently and effectively fit marketing automation into your demand generation process:

1. Defining a Qualified Lead

Fundamental to the lead management process is the definition of lead qualification. Who is the target audience? What characteristics do they display? Which industries? Revenue size? Do the number of employees within an organization play a role? Do they have budget? When are they anticipating making a decision? All factors should be considered. Sales and Marketing need to define a qualified lead. It’s essential that both teams agree on when it should be passed to Sales.

Marketing automation provides the ability to lead score. Raw inquiries are captured in one place regardless of where they originated and given a lead score based on demographic, firmographic and activity level or disqualified based on your sales criteria. These scores are dynamic and go up or down depending on the activity level of the lead. Once the lead score reaches an agreed upon number – identifying it as qualified – it passes to the next stage of the lead management process.

2. Develop Personas

The concept of understanding customer segments as communities with distinct identities has been around for over 100 years. Putting a human face on your demand generation target helps you understand them better, leading to better communication and trust.

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SECTION:

You need the basics – job focus, function and role, place in the decision-making process – but can you go deeper? What are their values? Fears? Attitudes? Perceptions? Where do they gather information – from their peers, communities or blogs? What influences how your buyers think and make decisions?

Use customer surveys or interviews to help develop the persona. The more you understand your buyers, the smarter you’ll be in your messaging, registration form creation and media selections. Tony Zambito of Goal Centric says, “Most B2B companies are seller-centric... but that’s changing as more companies are recognizing the importance of marketing, reaching out to customers and buyers. Building personas is not a tool – it’s a strategic process.” Personas provide your company with the much-needed insights to move from a seller-centric to buyer-centric focus.

As part of the persona development process, some marketing automation tools provide the ability to create a profile of your prospective buyer. You can obtain not only demographic and behavioral information, but also BANT (budget, authority, need, time) answers. You can also track which pages they viewed or emails they clicked on or opened. You can feed in external information such as which tradeshow or seminar they attended.

Utilizing the progressive profiling feature, each time they’re required to complete a registration form to, say, download a whitepaper or sign up for a

webinar, different questions can be asked. The first registration form may ask for their contact information; the second visit it may ask what their interests are (allowing you to enter them into a lead nurturing program). On a third visit, you may ask them if they are the decision maker or if they’re looking to purchase within a certain time frame. As they move through the qualification process you can continue to profile them. All of this information is gathered to help create a profile that you can add to the persona and send to the sales rep when the customer is qualified and determined sales-ready.

3. Enough About Me, Let’s Talk about Me

Never assume. In the 2010 B2B Marketing Budget and Tactics Online Survey conducted by Forrester Research and MarketingProfs, business technology decision makers (buyers) and high tech marketers (sellers) were asked which emerging information sources – Wikis, podcasts, online advertising, interactive 3D demos, Twitter and others – they believed they would use to inform and validate purchase decisions. The responses couldn’t have been more different. The buyers were far less interested in those media than the sellers assumed. Investing in those marketing activities apparently would be a misuse of funds. Listen to your Sales team and especially to your customers and potential customers. Give them what they’re looking for and in the medium and format in which they want it.

Supercharge Your Demand Generation with Marketing Automation

continued

SECTION:

Reporting and analytics within a marketing automation tool enable you to constantly monitor which marketing campaign or material is working or not, thereby reducing unnecessary resource allocation and spending on activities that don't yield acceptable conversion rates.

4. Content is King

Content is King, but only if it's relevant to your intended audience. If it misses the mark you've wasted valuable time, resources, money and potentially lost a prospective buyer. Understanding the buying cycle of your potential customer, then mapping content to that cycle is crucial. According to a recent survey from Marketing Sherpa and KnowledgeStorm, 61% of technology buyers want content that directly addresses the issues they face at each point in the decision process. Andrew Gaffney of Demand Creation Specialists and The DemandGen Report understands this process well. His team has helped clients focus their content mapping by emphasizing the need for clear calls to action. Testing and optimization of those calls to action and the offering that accompany them is essential to increase conversion rates.

Techniques like search engine optimization (SEO) help you fine-tune your marketing messages based on the search terms used to find your company.

Marketing automation can help you get closer to delivering the right content to the right person every time and also allows you to personalize and customize the experience each lead receives.

5. The Website is the Lead Generator

As you drive prospects to your website, you can track their activity (even anonymously in some tools). But what if you notice that they visit, but they don't convert? Use this opportunity to ensure your website is providing education-rich content to entice your prospect to learn more, allowing you to engage in a dialogue with them.

6. Know Your Conversion Rates

We're often asked about conversion rates in comparison to other companies or industries. It's a challenging thing to do, realistically. No two companies within any industry are the same. The important thing about conversion rates is how it affects your organization. What was the rate before marketing automation? What is the goal going forward? What can you optimize? What do you need to optimize to get there? Your goal should be to increase the conversion rates through each stage of the lead management process, from raw inquiry to customer acquisition to customer cross-sell and up-sell.

Supercharge Your Demand Generation with Marketing Automation

continued

SECTION:

And please, can we finally throw those open rates out the window? We should only be looking at click through and conversion rates.

7. Dumpster Diving for a Quick Win

Analysts report that 60% of raw lead inquiries are disqualified by sales, primarily because they are too early in the process. Of that, 80% end up buying, often from another company. In order to avoid that mistake, disqualified leads can be passed into a lead nurturing program. Lead nurturing allows you to build a relationship of trust with your potential customer. According to the DemandGen Report, nurtured leads can produce approximately 20% more sales opportunities than non-nurtured leads.

Marketing automation facilitates this process by building workflows. Some of these workflows can be extremely complex. Think of it like tree branches. A lead responds to a campaign, completes a registration form and, based on their answer to one or two questions, is sent down one path. A similar lead responds differently and is sent down another path. The goals are twofold – building a relationship based on trust, and conversion.

8. Push vs. Pull

Whichever strategy you decide to adopt – and most marketers do both – repurposing content is a cost effective and efficient way to go. For example, link white papers that you send in outbound campaigns that provide insightful educational content to a blog. Refer to whatever goes outbound in your inbound marketing and vice versa.

One of the most interesting technologies right now is the pushing of dynamic content to your prospective buyer. It's based on the IP address of an unknown visitor to your website. Companies such as DemandBase have solutions that identify the company and location of that unknown visitor. They then augment that information from their company profile database. And, based on the pages being viewed and the visitor's profile, they push personalized content to select pages on your site. That technology combined with marketing automation nurturing will be an amazing tour de force.

Supercharge Your Demand Generation with Marketing Automation

continued

SECTION:

In conclusion, while marketing automation fundamentally changes the way we practice marketing, it's important to be reminded of the basics as you seek to improve your demand generation program.

Remember: **Right Message, Right Offer, Right Audience** – the trifecta of demand generation program success. This hasn't changed, but it's worth a reminder. Whether it's a small email marketing effort or a fully integrated campaign – including email, direct mail, blog posts, Twitter, search engine marketing (SEM = paid search), TV advertising and more – you need to be sure you're "right" on all three counts. It's the message, not the medium that counts. With marketing automation you can continually optimize these three elements to increase conversion rates and results.

Test all messages, offers and subject lines in-house before sending them to a third party permission-based list source (where you're spending real dollars for each email contact). You'll identify problems with your email and make corrections before spending a ton of money.

If you're using a marketing automation tool to distribute your lead gen campaigns, check them for readability and formatting on the platforms your potential customers use, PC or Mac. Email clients: Outlook, Entourage, Apple Mail, Google. Web browsers: Internet Explorer, Firefox, Safari, Chrome. What may look okay in one format might not in another.

According to a recent Forrester Research survey, demand generation is the number one problem facing B2B marketers today. Marketing automation, combined with determination and discipline, can help you find that sweet spot.