

WHY MARKETING AUTOMATION IS A MUST-HAVE FOR EVERY B2B VP OF SALES



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IN the age of Internet marketing there is no sales-marketing alignment issue more urgent than effectively automating a process to aid salespeople in guiding prospects through the buying process. To be truly effective, this process must be easy for sales reps to leverage, easy for Marketing and Sales to configure and modify, and transparent to the prospect. If Sales and Marketing are not aligned to cooperatively achieve these three goals then a major roadblock stands in the way of Internet marketing – and revenue.

Changes in B2B Buying Behavior

B2B buying behavior has changed in two distinct

ways over the past 10 years. First, the purchasing process is no longer linear. Today's B2B buyers may engage with Sales late at any point in the sales funnel, often after doing a lot of research on their own. As a result, buyers initially have more control over the process than sales reps. They expect salespeople to instantly recognize where they are in their process and to provide immediate, in-context information of value. They may also slip and in and out of their buying process in unpredictable ways, and they want salespeople to adapt as they go forward.

Consider these trends and their implications for the sales organization:

Table 1 – Changing B2B Buying Trends and Sales Implications

	Buying Trend	Sales Implication
1.	Traditional Sales-led discovery process has been reversed. The buyer is in control now, not the seller.	Traditional B2B buying and selling cycles are out of sync. Sales must adapt to buyer-led discovery.
2.	Today your website is the first sales call, which means you must recognize buying intent early.	It's more important than ever to respond very quickly to online prospects, and to provide timely, relevant information of real value to the prospect.
3.	Prospects researching their purchase decisions continue to search for new information throughout the buying cycle.	Search now means much more than just getting found. It is a factor at the top, middle and even bottom of the funnel.
4.	Sales bottlenecks have moved higher up in the funnel, often appearing earlier in the buy cycle.	Focusing on near-close opportunities alone will not address all sales challenges.
5.	Buyers are doing their own research and entering the funnel at new and widely varying points.	In order to leverage marketing automation and maximize results, robust lead scoring and lead nurturing capabilities must be in place.
6.	Sales can no longer rely on prospects to routinely fill out long website forms. Over-reliance on them is counterproductive to the new buyer-led research behaviors.	Website registration forms are no longer valid as a first qualifying step. New, creative ways are needed to quickly identify site visitors using all available data on customers and their digital footprint.
7.	Conversion rate optimization requires understanding of what's working and what's not working at each and every step of the cycle. The new buyer behaviors are in effect adding new steps that also must be optimized.	Only by closing the loop from end to end can you really maximize your results. But the loop is getting bigger and more complex due to new steps driven by new buyer behaviors. For example, optimizing website lead capture is now an integral part of conversion optimization.

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About the Author

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He has spent over 20 years

building high-tech sales and marketing teams. Prior to founding Tailwind he was President of Cape Clear Software (acquired by Workday) and Vice President of Americas Sales at IONA Technologies, where he grew revenue from \$35M to \$103M in three years. Preceding IONA, he spent eight years at Object Design in a series of successful sales leadership positions. During his tenure, Object Design was #1 on the Inc. 500 as the fastest growing company in America and went public on NASDAQ. Walmsley has a B.S. in Computer Science from the Massachusetts Institute of Technology.

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Ten or 15 years ago, the problem for Sales was largely one of scaling the sales organization to take advantage of demand. Capacity models made assumptions, for instance, that new Sales hires would be 30% productive in the first quarter, 70% productive in the second quarter and 100% in the third quarter. The big bottlenecks were seen as getting salespeople up to speed and helping them close the business. A lot of time was spent on extensive forecast reviews. This approach was based on a uniformity of prospects and the assumption that all prospects enter the pipeline at the same point in their buying process, and then proceed through in a predictable pattern and drop-off rate. Today's successful sales team must be armed with the customer intelligence to engage the prospect at any stage of their buying process and provide immediate, in-context information and guidance.

Sales Bottlenecks Have Moved Up the Funnel

The impact of the new buyer behavior patterns poses a new challenge. Sales bottlenecks have moved further up the funnel (see Figure 1) – in part because prospects are entering at many more points based on their online research. The increased number of entry points creates more confusion and complexity in the handling of marketing-qualified leads. As

a result, the sales process gets bogged down. Today, getting enough quality leads to the sales organization is frequently the biggest bottleneck. In this case, adding more sales personnel does not solve the problem. Instead, what's frequently required are more effective lead generation mechanisms that are better able to build the pipeline and initiate sales.

In trying to address the challenge of these new buyer behavior patterns, two issues come up again and again. One is that Sales does not have the decision support systems in place to identify where the bottlenecks are. Typically so much time is focused on the bottom of the funnel that Sales lacks the dashboards and alerting systems to flag problems and opportunities further up. While pipeline size and probable close rates are important key performance indicators, frequently they're not the ones crippling the company. You need the right technology infrastructure as your foundation for the decision support.

The second issue is the growing role of search. It's important not only for lead generation, but also in terms of how your product is positioned. Buyers use it during the research cycle, but also during their buying cycle. They go back to Google and type in ever more expansive terms as their research narrows on a set of solutions during the evaluation and consideration stages.

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Figure 1 – Changes in B2B buyer behavior resulting from online buying and ubiquitous search frequently mean that sales bottlenecks are found higher up in the sales funnel. Marketing automation systems provide a foundation for a seamless “lead-to-opportunity-to-close” process across both the marketing and sales functions. Closing the loop from one end of the cycle to the other is a necessary first step for determining which marketing campaigns, lead nurturing and sales activities are working and which need improvement.

In effect, the once linear process of being led by a sales rep through a series of steps has now become a buyer-directed process driven by self-guided, online research. Buyers expect sales people to do all the adapting now and to instantly recognize their needs and adjust accordingly. How can Sales and Marketing work together to meet this new challenge head-on and improve success rates? The following best practices offer a good place to start.

Your Website is the First Sales Call

In the past, a sales rep would control the sales discovery process by controlling how information flows to the prospect. But in today’s world, the website is now the first sales call. Prospects can get that same set of information off the website. So a sales rep’s #1 competitor for their prospect’s attention has become their own website. The challenge now is that websites need to be very crisp lead capture mechanisms, and they need to provide

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high quality content. Marketing automation systems are absolutely essential for website lead capture, and the goal is to identify buying interest early on.

Faster Follow Up with Relevant, Valuable Information and Offers

Another thing that's changed dramatically in buyers' behavior is that attention spans continue to shrink. Even the proverbial elevator pitch is old fashioned. You don't have that much time! On a website, you've got probably eight or nine seconds to get someone to take action. Your messaging needs to be spot on and your response times that much faster. The days of following up with leads two weeks after a trade show are gone. Today it's absolutely crucial – particularly for leads from the Internet – that follow up times are measured in hours, not weeks. Sales must be viewed by the prospect as adding value in terms of offering relevant and timely information, as opposed to harassing them without offering any useful guidance.

Traditional B2B Buying and Selling Cycles are Out of Sync

What this really means is that B2B buying and selling cycles often are out of sync. The buyer is collecting content, reading things, and only at the last pos-

sible minute – when he or she can't get any more information – do they raise their hand and say, "Have a salesperson contact me." For sellers trained to lead the customer through a discovery process, this is confusing. If the buyer is at a later point in their buying cycle and the salesperson tries to start discovery, you've got a significant disconnect. Effectively what's happened is that the discovery process has been reversed. It's the buyer who's doing the discovery now, not the seller, and typically they have more information. In fact, it's not unusual for buyers to have read more information on the Web than the salesperson they're speaking with.

The Vital Role of Marketing Automation Systems

With buyers – not sellers – typically driving the purchasing process, it's critical that the sales and marketing systems be integrated. If you're going to manage prospect communications effectively, you must have very smooth, seamless processes all the way through the sales cycle. In fact, some Internet marketing and lead generation processes, though managed by the marketing function, are now part of the sales process.

Marketing automation systems play a vital role in integrating Sales and Marketing and enabling them to effectively address the new buyer behaviors. A

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key example is the essential role marketing automation plays in helping to quickly and efficiently route leads appropriately rather than letting them languish. Following lead scoring, qualified leads at the right step in their buying process must move on for closing. Rather than being abandoned, low scoring leads must be handed off to Marketing's lead nurturing programs.

A good marketing automation solution must also help you capture leads, identify visitors and glean as much intelligence as possible from the available customer and prospect data. This is beyond the scope of a static lead capture form. Too many organizations incorrectly assume they can capture an enormous amount of content from prospects. But the reality is that many prospects won't fill out long forms, and even if they do, you need to keep their information in a marketing automation system capable of managing and updating it in near real-time.

Marketing automation systems also can help identify the visitors to the website even if they haven't filled out a capture form. They can allow you to score someone's behavior on the website, such that combined with other indicators, you're able to prioritize whom you follow up on and customize your response to that person based upon their digital buying behavior.

Lead Scoring and Lead Nurturing are Essential

The lead scoring and lead nurturing processes require a marketing automation system to be highly effective. Ideally with lead scoring you can prioritize the leads that you follow up on based not just on static information (e.g. total number of employees, job title or industry sector), but also dynamic information, such as the number of website visits or high value content assets they have consumed. This is more important than ever. Especially in view of shortening attention spans, it's essential to quickly follow up on the high priority people. Every phone call or email response aimed at someone who isn't very well qualified is time better spent trying to reach those who are highly scored.

A best practices strategy supports sophisticated scoring, so that when a visitor of a certain score arrives on a website, an alert is sent to Sales so they can follow up immediately. Reports and dashboards can allow you to track that information so you can act in near real-time with a customized response based on all available digital buying behavior information. We've seen teams achieve call connect rates of greater than 40% using these methods, vs. a typical call connect rate in many industries of less than 8%.

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On the other side of the equation are the people who aren't ready to buy right now. Lead nurturing is for them. To get the best return on your marketing investment, you can't just ignore these prospects – they are literally your Long Tail leads. They could be qualified at a later point if you nurture them. Several studies have shown that in high technology, for example, over 50% of the people who actually demonstrated initial intent to purchase a high tech product actually would purchase a product in that category within two years. But in many cases, the initial supplier they reach out to doesn't nurture them, so they end up buying from another vendor.

Lead nurturing offers a systemized, automated mechanism for building a workflow so you can follow up on longer-term leads intelligently and continue to nurture them appropriately. This involves a number of factors, including:

- frequency of contact,
- type of contact (whether by email or phone), and,
- the type of content you're going to provide and how it maps appropriately to the specific step in the lead nurturing process.

At each step in the lead nurturing process, you need to deliver content that's perceived by the buyer as adding value to them. Mapping the right content to the various stages of prospect qualification ensures relevancy and provides the basis of content

marketing. Yet to a large extent, when you study what companies and their reps actually do, all too often you find generic responses that fail to meaningfully engage the prospect or add value.

Closing the Loop Reveals the Real Story on Conversion

To understand and optimize conversion rates, you must determine the most effective means for generating quality leads that actually convert and close. Focusing on the right metrics is a challenge, but building a closed loop system makes this task much easier to achieve. For example, in search engine marketing, choosing number of clicks and cost per conversion as key performance indicators can lead you astray. In the B2B world, cost per conversion can be very misleading. If you're generating lower quality leads at a lower cost, that's ultimately going to hurt you significantly. The cost of following up on a poor lead in a B2B setting is a huge multiple of the cost of that click that you paid to Google. So understanding how to close the loop completely between the keyword phrase that was typed into Google and the closed deal and closed deal size is a vital element in running any modern Internet marketing campaign.

Companies must modernize their sales and marketing to adapt to changes in buying behavior and take advantage of new technologies – especially search engine marketing and marketing automation. Building a seamless process from lead to opportunity

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to close across your marketing automation and CRM systems is absolutely essential. Purchasing a marketing automation system won't help unless you define your lead scoring or lead nurturing processes and capture digital buying behavior information along with the prospect information, so that you have a 360-degree view of all customer contact. Likewise, being able to identify website visitors won't help unless you can act on that information quickly and appropriately. The CRM system integration ensures they'll be no latency in the follow up.

As a former VP of Sales, I can attest that the kind of seamless integration of sales and marketing you can get from a well-implemented marketing automation system is an absolute must-have. The reasons are simple. You've got to:

- recognize buying intent early,
- effectively capture those leads through your website (which has now become your initial sales call),
- prioritize and follow up on the highly qualified people quickly, and
- intelligently nurture those who aren't ready in an automated fashion.

If you can do that, then you're well on your way to ensuring that your marketing automation system can be measured on the one most important metric: driving tangible revenue improvements.