

# The Quintessential Marketing Automation GUIDEBOOK

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Why Marketing Automation is a Must-Have For Every B2B VP of Sales

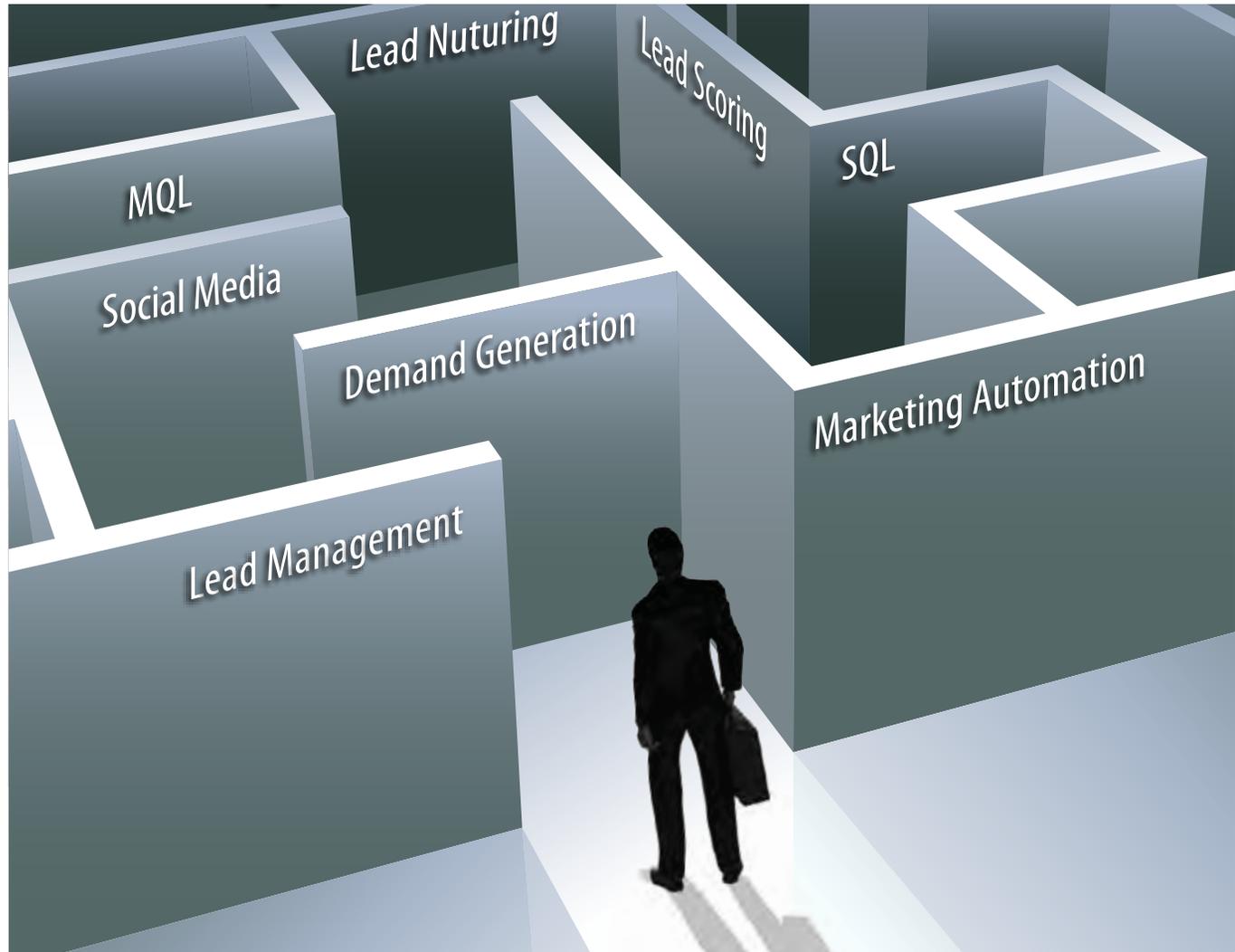
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MARKETING automation platforms have become quite “hot” lately. If you haven’t purchased one yet, chances are you will be – soon. What’s not to love about the idea of marketing automation? Driving **MORE** qualified leads to sales, **MEASURING** the impact of marketing, **MANAGING** the marketing funnel. It’s the stuff the great business books are written about.

If only it were that easy.

While marketing automation can undoubtedly deliver tremendous value, platforms like Manticore Technology in and of themselves are only part of the solution. The truth is that to deliver on the promise of marketing automation, companies need to put a lot of hard work into developing the proper processes and internal resources to make that value a reality. Unfortunately, many marketers learn this too late. They purchase the technology first and then try to develop the process around the technology, often leading to a technology and resource quagmire.

Our goal in putting together The Quintessential Marketing Automation Guidebook was simple: deliver insights to executives and marketers from some of the industry’s top thought leaders on what they need to think about in order to make marketing automation a success in their organization.

I think we’ve been wildly successful. From the hilarious “dear marketing” musings letter from Jill Konrath, author of *Selling to Big Companies* and *Snap Selling* to the straight talk from Craig Rosenberg, VP of Products and Services at Focus and author of the popular B2B blog, *The Funnelholic*, I’m confident you’ll walk away from The Quintessential Marketing Automation Guidebook with new ideas and insights on what it will take to be successful with marketing automation in your organization.

Before moving on to the heart of the matter, I’d like to give special thanks to our authors for their time and commitment to this project:

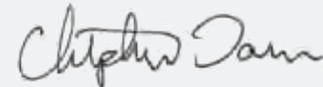
- **Robert Walmsley**, CEO of Tailwind Strategies
- **Jill Konrath**, author of *Selling to Big Companies* and *Snap Selling*
- **Ardath Albee**, author of *eMarketing Strategies for the Complex Sale* and the *Marketing Interactions* blog
- **Craig Rosenberg**, Vice President of Products and Services at Focus and author of *The Funnelholic* blog
- **Jeff Erramouspe**, President, Manticore Technology
- **Andrew Gaffney**, Editor and Publisher, *DemandGen Report*
- **Jep Castelein**, President and CEO, LeadSloth

- **Brian Massey**, marketing thought leader and author of The Conversion Scientist blog
- **Sue Hay**, CEO, BeWhys Marketing, Inc.
- **Cari Baldwin**, CEO, Bluebird Strategies

It would be virtually impossible to put a dollar amount on the invaluable insight and knowledge you’ve shared in this guidebook. For that, we at Manticore Technology are extremely grateful. Finally, I’d like to thank Emily Mayfield, Demand Generation Manager here at Manticore Technology for all her hard work in herding the cats on this milestone project.

I have no doubt that the lessons you take away from this guidebook will help you in your marketing automation journey. Actually, I’m counting on it as we’re starting to recruit for the “The Quintessential Marketing Automation Guidebook – Part II”. Get to it!

Happy Reading –



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# CANDID LETTER FROM SALES TO MARKETING



**Jill Konrath**  
Chief Sales Officer,  
Selling to Big Companies

## SECTION:

DEAR Marketing,

I know we haven't always gotten along. In fact, I've been pretty critical of you over the years.

I've complained that you're not doing enough to get us business. I've blamed you when our new offerings fail to achieve projected success. I've accused you of being out of touch with what's really going on with our customers and prospects.

**The truth is, I don't want to be the fall guy when I don't reach my numbers.** You don't either. You've been just as hard on me as I've been on you.

You've criticized my salespeople's skills, telling everyone in the company that we're incapable of selling value. You've carped about our bonuses, whined about our expenses or grumbled that we weren't working hard enough.

Enough already. **We need to stop this blame game or neither of us will be successful.**

Personally, I'm at wit's end. It's harder than ever to reach our numbers, and I don't see things getting any easier in the future – especially when I talk to the people who buy our products and services.

You may not realize this, but **most of our prospects today suffer from a severe case of Frazzled Customer Syndrome.** This is a debilitating condition brought on by excessive workloads, 24/7 availability, information overload, lack of sleep and job-related stress.

They're good people who are doing their best to survive in a crazy-busy workplace. Their calendars are overflowing and they're constantly falling behind, but they feel powerless to stop the unrelenting, escalating demands on their time.

They can barely focus on important tasks because their days are filled with interruptions and constantly changing activities like email, meetings and online research. This frenetic multitasking fools them into thinking they're accomplishing a lot, but in reality they're falling further behind.

These are the people that my salespeople have to deal with on a regular basis. And it's not easy. They never answer the phone anymore. And, if you leave a message, they never call you back. They get a gazillion emails a day and delete most of them in a nanosecond.

**It typically takes my salespeople eight to ten contacts** before they have a conversation with a prospective customer. We just can't afford to keep doing this. It's not a good use of our sales force's time.

You know what drives my salespeople nuts? When you send over a ton of unqualified leads that you got at a tradeshow or some other promo event you did. Again, we don't have the time to do this.

**But back to these crazy-busy prospects.** When we finally uncover a company who can realize significant benefits from our offering, typically

## Candid Letter from Sales to Marketing

continued



### About the Author

*As a recognized expert in business-to-business sales, Jill Konrath helps sellers crack into new accounts, speed up their sales cycle and win more business. She's the author of the award-winning book, *Selling to Big Companies*—a *Fortune* magazine “must read.” *SNAP SELLING*, her newest book on selling to crazy-busy prospects, was just released to rave reviews.*

*Jill is a popular speaker at annual sales meetings, kick-off events and professional conferences where she provides fresh perspectives, provocative insights and rock-solid, practical advice. To learn more, visit [www.SellingtoBigCompanies.com](http://www.SellingtoBigCompanies.com).*

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they're not actively making a purchase decision. Instead, they're trying to determine if it makes good business sense to change.

Do you have any idea how long it takes frazzled people to make that kind of decision? Months. Much longer than ever before – and there are a whole slew more people involved, which makes things even more complicated.

Even our hottest prospects sometimes disappear into a black hole because it's just plain easier to stay with the status quo than to invest all the time and effort into making a change.

That's what we're facing out there every single day. Traditional prospecting and sales strategies don't work anymore with today's crazy-busy buyers. We're spending more time and effort than ever before, but getting diminishing returns.

We desperately need your help or we're not going to make it. It all starts with high quality leads that you've nurtured. Let's get together and agree on what this means – soon. We can't wait any longer. Plus, we need tools to nurture prospects. These are things you can create for us.

**Also, we've found that by leveraging the SNAP Rules**, we're much better able to capture and keep the attention of today's crazy-busy buyers. If you're not familiar with them, here's a quick overview:

### SNAP Rule 1: Keep it Simple

Our overwhelmed prospects grind to a screeching halt whenever they encounter complexity. From their perspective, this means anything that feels difficult to decipher, difficult to decide on or difficult to implement.

We need to ensure maximum simplicity in everything we do – and that's not as easy as it sounds. Sometimes, especially when we're trying to impress new prospects, we get into serious overkill with the amount and depth of information we share. When we keep it simple, it's much easier for prospects to buy from us.

### SNAP Rule 2: Be iNvaluable

Now more than ever, our prospects want to work with companies that “know their stuff” and who continually bring them new ways to improve their business. In reality, that's our biggest competitive differentiator today – not our products or services.

That means that every communication we have with them today must be valuable. Otherwise, it'll be deleted or we'll be dismissed. In our experience, prospects love to learn how similar companies address tough issues and the results they attained. They also crave info on industry trends, solving knotty problems, how to decide and successful implementations.

*“We desperately need your help or we’re not going to make it. It all starts with high quality leads that you’ve nurtured. Let’s get together and agree on what this means – soon.”*

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**SNAP Rule 3: Always Align**

Virtually the first questions our crazy-busy prospects ask is, “Is this relevant?” They don’t have time for anything else. And I hate to be brutal with you, but 90% of our prospects think that information about our products and services is totally irrelevant.

Why? Because they’re not yet at a point where they’re ready to make a decision. Up until then, the only thing that’s relevant is their key business drivers. So we need to ensure that everything we do focuses on our value proposition – the business outcomes they’ll realize from using our offering. When we align with their objectives, prospects will want to work with us.

**SNAP Rule 4: Raise Priorities**

On a daily basis, our prospects are buffeted by newly arising emergencies, reorganizations, shifting market dynamics, and ever evolving corporate directives. It’s an absolute imperative to work with them on their priority projects.

We need to have “alert systems” in place to notify us of any changes that might impact their satisfaction with the status quo. And, we need relevant content on hand so we can immediately swing into action. You can handle the initiatives from the corporate side, and we’ll handle it with individual companies we’ve targeted. By focusing on these “trigger events,” it’ll really shorten our sales cycle.

So what do you think? I’m offering you a peace pipe and a chance to create a better future. I think it’ll only happen if we’re ready to work together. And I’m ready.

**I need you now more than ever.** We need to attract those online seekers and get them into our database. Then we need to keep sending them great information until they’re ready to make a change.

We’ve got to use one of those smart marketing automation systems too, but for more than a glorified email system. I’ve been checking into them and have been blown away by what’s possible.

Do you realize how much more productive my salespeople can be if they’re focusing on prospects who have opened their emails, clicked on links, read a white paper, forwarded it to their colleagues and returned again later in the week to listen to a podcast?

Seriously. Think about it. They could be cold calling – or, they could be having in-depth conversations with savvy prospects who have immersed themselves in our educational content.

As far I’m concerned, it’s the way to go. I know decisions like this don’t happen overnight, but let’s get started now.

Looking forward to talking soon,

**SALES**

# PROCESS, PEOPLE, AND CONTENT: THE KEYS TO SUCCESS WITH MARKETING AUTOMATION TECHNOLOGY



**Craig Rosenberg**

*Vice President of  
Products and Services,  
Focus*

## SECTION:

MARKETING automation success is predicated on the vendor system you choose and, ultimately, the people you choose to operate it and the process you design around it. There are three key factors that can make or break your investment:

1. A well-designed “Start-to-finish/Lead-to-close” methodology that includes not only the lead nurturing components, but everything from lead generation to lead follow-up to close.
2. The following “bodies”: (1) Someone to own and operate the marketing automation system (2) A person (or people) responsible for qualifying leads over the phone.
3. A commitment to content.

There’s no doubt that a revolution is taking place in the marketing department and marketing automation is leading the charge. I remember five years ago as venture capitalists started to pour money into marketing applications, hearing the following refrain: “The marketing organization is the only part of the enterprise not optimized by technology”. Five years later, there are a ton of marketing automation vendors, and more and more marketing departments are thinking about *when* they’ll implement this technology, not whether they will or not.

Let’s be clear, every marketing department should use marketing automation. In the sales department, every VP of Sales knows they need CRM. In the finance department, every CFO knows they need ERP. In both those departments, automation is not

a “shiny new toy” but a competitive advantage when used correctly. The same is true for marketing automation. As your competitors leverage automation to optimize marketing, your non-use puts you at a competitive disadvantage.

The CRM and ERP markets are instructive for the marketing department because they help level-set our reality of generating success from automation. There is no such thing as “plug-and-play”. There just isn’t. Success in implementing automation involves commitment on the part of the implementing organization. The promise of marketing automation to drive real success is elusive. The reality is, marketers aren’t used to buying automation. Our experience has been reserved to the CRM system, where sales operations allowed marketers some access to the system, but the requirements gathering, purchase, and implementation did not belong to marketing. Net-net: this is new. What you can take away from the other business software markets is that successful implementations start with critical planning and decisions about your process and providing the application the support it needs. In the world of marketing automation, there are three critical components for success: a well designed end-to-end marketing process, people, and content.

## The end-to-end marketing process

The first step to marketing automation success is to

## Process, People, and Content: The Keys to Success with Marketing Automation Technology

continued



### About the Author

*Craig is the Vice President of Products and Services at Focus where he oversees product creation, management, and delivery. He is also the author of the popular b2b sales and marketing blog, the Funnelholic. He is known as an expert in b2b sales and marketing across the entire funnel from demand generation to overall marketing to sales process and organization. Prior to Focus, he spent years as a consultant for SalesRamp where he designed, built, and managed lead-generation and inside sales strategies and processes for high-tech startups. During that time, Craig built organizations at over 25 different companies from a variety of different high-tech verticals ranging from business applications to IT infrastructure.*

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define your marketing funnel. The marketing funnel should start with lead/inquiry generation and finish at the end goal, whether that be SALs, revenue, etc. There are some important elements to consider:

1. **Definitions** – Each step of your marketing funnel should have a definition. Many people are using SiriusDecisions methodology (Inquiry, MQL, SQL, SAL) and that is a good place to start. At Focus.com, we use a mix of SiriusDecisions methodology and our own. Here are our definitions to give you a baseline:
  - a. **Contacts** – These are just names in the database. We have no dispositional data on these names.
  - b. **Leads** – Others call these inquiries, but for us, it is very simple: Leads are people who've responded to an offer, such as a whitepaper or webinar.
  - c. **Qualified Leads** – Leads that we've qualified as a fit for our sales team and agreed to take a next step with sales.
  - d. **Sales Accepted Leads** – Sales has agreed that these lead fit our Qualified Lead definition.
  - e. **Opportunity** – Sales has now engaged the lead and has agreed to put him/her in our pipeline.
  - f. **Closed Opportunity** – Deal has closed.
2. **Metrics** – You should place metric goals against the funnel. If you have no baseline, that is okay

as you can start with baseline metrics from similar companies.

The marketing automation system is not a magical application where you just start creating better leads, but rather, it's a system designed to support your marketing operations. Marketing automation becomes "shelf-ware" when you don't know what you want to do with it or which specific pain points you want it to address. Where CRM is designed to support your sales process, marketing automation is designed to support your marketing process. There are some important things to think about when building your marketing funnel:

1. **Start from the end** – What is the end goal of your marketing organization? Some organizations are focused on revenue or closed business, some are tied to pipeline revenue, and others are tied to qualified leads or SALs. When you define your funnel, start from that end goal and work backwards.
2. **Know what the buyer is doing** – When considering your marketing funnel, you should understand what the buyers are doing and not just what you want to do. How do your buyers buy?
3. **Draw a picture** – This sounds so simple, but it works. You should have one picture that defines your funnel. You can make it as granular as you like, but make sure it is end to end.

*“If you can sense an over-arching theme here, it’s that marketing automation is not plug-and-play. Part of your commitment to success has to be having people actively involved and accountable.”*

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- 4. Define activities** – Once you have high-level definitions, see if you can fit the activities that take place into those definitions. The funnel is an exercise to articulate the necessary steps towards success, but what are the activities and owners that get you to that success?

Once you have your “picture”, you’ll see clearly how marketing automation can support you. Many organizations work the other way. They get the marketing automation system and then figure out what to do with it. Don’t make that mistake. When you are considering buying a system, hand the marketing automation sales team your process, and they will have a clear understanding of how to show you the system. Implementation will involve less pain because you know where you want the system to take you.

### People

If you can sense an over-arching theme here, it’s that marketing automation is not plug-and-play. Part of your commitment to success has to be having people actively involved and accountable. There are two “must-have” roles that will drive success:

- 1. “System Owner”** – Not an IT person, this is someone in the marketing department whose job it is to understand the system and help drive the necessary parties within your organization to provide the inputs necessary to make the

system work. In the world of CRM, this person is typically in Sales Operations. More and more, you are seeing Marketing Operations roles spring up. This is primarily an answer to the prevalence of marketing automation. Honestly, everyone will tell you that their system is so simple you don’t need headcount to run it. But to get the most out of your marketing automation, you want someone to run it. Here are the responsibilities your system owner should hold:

- Understand the ins-and-outs of the automation – Think about every application you’ve ever used. It is not until you have sufficiently used the application that you really feel like you are getting the most out of it. Marketing automation is supporting a critical part of your organization and you want someone building institutional knowledge based on using it every day, who can ensure that it works and that you’re getting the most out of the system.
- Leverage all the features and functionality – The marketing automation owner will stay up-to-date on product enhancements and features and drive the organization on how to implement them. This is key, because there is a marketing automation battle going on and all the vendors will be “one-upping” each other on product features. The full-time system owner can be focused on understanding what your options are, help decide where features are germane

## Process, People, and Content: The Keys to Success with Marketing Automation Technology

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to your business, and ensure the ones that are important to your business are implemented.

- c. Articulating to the organization what the system needs – The marketing automation owner will find gaps others can't see and help push the organization to fill them. It may be content, new email copy, etc.

Metrics – Metrics are one of the reasons you are going to buy the application. The owner is watching the metrics, internalizing them, and presenting them back to the organization. The owner is watching for red-flags, positive trends, and so on because it's their job to do so.

2. **Lead Qualification People** – Marketing automation does not replace a human function sitting in between marketing and sales. Every organization needs to have a phone-based team that follows up with your scored leads, connects with these people, qualifies them, and then passes them to sales. Remember the example of definitions in the end-to-end process section? Getting from lead to qualified lead is a coordinated process of marketing automation features, such as: scoring, emails, web activity, and progressive profiling; and a dedicated rep whose job is to connect with scored registrations via phone or email, qualify them, and then connect them with a proper sales rep.

Sending “scored” leads directly to quota-carrying sales reps is better than sending

them no leads, but is still a recipe for failure. One of the promises of marketing automation is to help bridge the divide between marketing and sales. Sending them scored leads does help them figure out who is better to spend time on, but there is an age-old problem that will not go away: sales people do not have the time or desire to follow up on leads. Getting someone to connect with you can take 6-10 calls and 3-4 emails even when the person has a high “score.” You don't want your sales team wasting time with these efforts. Their job is to take qualified leads or SQLs, turn them into forecasted opportunities and close them, so you don't want them doing the things necessary to get them from lead to qualified lead.

Your pre-sales marketing becomes super-charged with a combination of lead nurturing powered by marketing automation and human-based qualification teams. The phone efforts cost money, but you can make them more effective and efficient with the scoring functionality offered in marketing automation. There are two common practices we see:

- a. **Only call a lead with a score at a predefined level** – Every other lead stays in the nurturing bucket and is incubated via this process, which is supported by your marketing automation system. Lead qualification calls the leads with your predefined scores.

## Process, People, and Content: The Keys to Success with Marketing Automation Technology

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- b. Call everything first, then apply a score and let marketing automation take over** – Many companies have every new lead start in the lead qualification team. They disposition the leads initially at which point the nurturing supported by marketing automation takes over. Sophisticated companies leverage the phone data to make good decisions regarding campaign flows directed towards that prospect.

If you only remember one thing from this guide, let it be this: don't forget your people and don't be ashamed to utilize them. Let me give you two examples that accentuate my point:

1. Company leverages system owner and goes from 0 ROI to 2X – This is truly a simple example. A company I work with in Atlanta had one of their marketing managers working the marketing automation system as ONE of the things she did. They were getting zero payback from the system. To fix the issue, they made the same marketing manager in charge solely of the marketing automation system and process. Now they are leveraging the full power of their marketing automation and are achieving 2X the payback and getting close to 3X.
2. Large Fortune 2000 technology company leverages marketing automation/nurturing and human-qualification, gets 3-4X conversion rates to their competitors – This large company has

a highly efficient and ultimately cost-effective machine designed to create sales opportunities. The marketing automation system nurtures prospects to the “top”, and the human-based qualification team qualifies them and turns them into appointments for their sales reps. As a result, their lead-to-opportunity rate far outpaces the competition, in this case, 3-4X.

Every well-run business software is supported by people, and that is a fact.

### Content

Marketing automation doesn't work if you are not ready to support it with content. Period. Marketing automation doesn't work if you have a single piece of content and you're pushing the same message over and over. At that point, you should just use a standard email application. We are all trying to figure out the ultimate number. I just talked to a marketing automation consultant who told me he believes the number is 35. That's right, 35 pieces of individual content! Getting 35 pieces is daunting, but the opposite is more important: too little content will hold you back. Here are some tips to consider:

1. **Repurpose** – content does not have to be all original. You're going to use the marketing automation system to determine interest. Content created by others such as third party research

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can serve your purposes well. If you want to get going today, start with content already created. If you ask the creator of the content, they almost always agree because it helps them. (More people reading their content means more “fans” or readers).

- 2. Create buyer personas and tailor for them** – Who are the various buyers of your technology? Understand who the stakeholders are and what they care about. For example, the technology buyer has much different content needs than the business buyer. Marketing automation will help you recognize these stakeholders and create individual content campaigns for them.
- 3. Understand your buyer’s journey and create a content funnel** – What does your buyer do when they buy solutions in your market? Create a map for the buyer’s journey, tie that to the various personas, and create content that leads them down the path. You will create different content for them when they are trying to understand the market, when they are considering vendors, when they’re ready to make their decision and implement a solution. Remember, today’s buyer can go out on the Internet and get the information they need without you. As they go through their buying cycle, keep them engaged with you by providing them the information they need during their critical buying functions.

- 4. Leverage a variety of offers** – Every buyer is different in their preferences for how they consume information. Make sure you are not tied to one thing and as you nurture your buyers, give them choices for consumption such as webinars, whitepapers, live events, blog posts, etc.

Marketing automation works, and it works better with quality content. It’s like putting the right fuel in your race car. Your marketing automation needs the fuel (content) to win the race.

If you don’t have marketing automation today, put a stake in the ground and plan to purchase the application in the next year or so if you want to get ahead of your competition. As you contemplate, consider some of the key success factors that I outlined above: A well defined process, people to support your success, and content. This combination will drive real marketing ROI and make the sales organization and the CFO happy.

# YOU NEED GOOD TECHNOLOGY, BUT...



**Jeff Erramouspe**  
President,  
Manticore Technology

## SECTION:

MANY people look at marketing automation as a technology problem and expect that by applying good technology, great results will follow. The truth is that while technology is important, it is not the most important part of implementing a successful marketing automation program. For the most part, marketing automation vendors compete on features and functionality – who has a better lead scoring capability, or who has the best e-mail editor. And unfortunately, most marketing organizations make their purchase decisions based on those same features and functions. As a result, there is a great deal of focus on what the marketing automation platform can do. The most important question to ask, however, is “What can the marketing automation platform enable me to *accomplish*?”

A broad set of skills are required to be successful with a marketing automation implementation. It is assumed that if you’ve had experience with e-mail marketing and web analytics, that you have the skills and background to implement a marketing automation platform. After all, all marketing automation platforms include an e-mail engine, landing pages and a web analytics component. But while these are key elements of successful marketing automation programs, the universe of activities is much, much broader.

At its core, marketing automation is about driving leads from initial interest to fully qualified sales prospect. This is fundamentally a business process – the process of managing the marketing funnel – and demands the objectives, planning and professional support required when automating any business process. To be successful, the technology must only be deployed *after* the business planning has been completed. **The marketing automation platform is there to support the business process, not define it.**

What does it take to be successful with a marketing automation implementation? There are three elements that are critical:

- The development of clear objectives;
- A strong planning process;
- The support of experienced marketing automation professionals.

*Let’s look at each of these individually...*

## You Need Good Technology, But...

continued



### About the Author

Jeff has over 20 years of management experience in both entrepreneurial and Fortune 500 technology companies. Jeff joined Manticore Technology from Digby, where he was VP of Market Development, and was the co-founder and CEO of Deepfile Corp. (now StoredIQ), a leading provider of file management solutions. Prior to founding Deepfile, he was a venture fellow at AV Labs, the seed-stage fund associated with Austin Ventures, where he provided executive leadership to several portfolio companies. Jeff has also served as an adjunct professor for entrepreneurship at the University of Texas Graduate School of Business.

## SECTION:

### First: Set Clear Objectives

You must clearly define what you want your marketing automation project to achieve. Some marketers will want to completely automate their lead development process, in some cases even automating some of the steps of the sales process. Others will be happy with incremental improvements in their marketing processes and a stronger linkage between their e-mail marketing campaigns and the web traffic it drives. Regardless of your objectives, they should be written down and agreed upon by all the stakeholders in the project. In the DemandGen Report 2009 Marketing Automation User Survey, when asked what they would do differently in their next implementation, 43.4% of respondents said “work more closely with the sales organization to build alignment around goals/processes.”\*1

To start, marketers should fully understand how their lead development process currently works, and if possible, have good measures for its efficacy. Armed with this information, you can now look for opportunities for improvement. Do you need to increase the number of inbound leads? Do you need to improve what you know about them (qualification)? Are they getting stuck at some point in the funnel?

In addition to identifying what you need to improve, it is critical to understand what all stakeholders expect from the project. Most importantly, what does the sales organization expect? As Marketing’s primary customer, their satisfaction will go a long

way towards defining your success. Defining these objectives will set the table for the planning process and make sure all interested parties know what to expect from the project.

### Second: Plan Where You Want to Go

Now that you have set your objectives, the real work begins! Without question, completing a planning process can be the most demanding part of a marketing automation implementation project. And this explains why most organizations either skip it or complete the process poorly, thus endangering the success of their project. Frost & Sullivan sums it up this way in *Marketing Automation Isn’t Easy*: “Effective and sustainable marketing that drives revenue must be built on the right processes, technology and people. Companies that adhere to best practices along these lines close a lot more business. For Marketing to play a key role in the growth of a company, we believe you need to start with process, which guides and validates the people and technology investments.”\*2

The planning stage should map every step a lead takes as it moves from a simple inquiry to becoming a sales qualified lead. Beyond that, this process should also include a mapping of the sales process, to ensure that these two processes are fully aligned.

1. *Marketing Automation: Lessons from the Trenches*. DemandGen Report, 2009.
2. *Marketing Automation Isn’t Easy*. Bulldog Solutions & Manticore Technology 2010.

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*continued*

***“To be successful, the technology must only be deployed after the business planning has been completed. The marketing automation platform is there to support the business process, not define it.”***

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The analysis should include a definition of the roles prominent in the buying process, what content they consume as they learn about your offerings, and the sources by which your leads enter the funnel. By understanding how the leads move through the process, it will be possible to map the technology elements to the business process.

This process will also articulate how the marketing automation platform will store lead information, how it will integrate with your website and all online marketing assets, and how it will integrate with your CRM solution. This integration, while relatively simple, requires a great deal of precision. Small implementation errors (such as improperly mapped fields) can lead to major problems that are difficult to diagnose.

By spending the time to define both the business and technology processes clearly, you've set the stage for a successful marketing automation implementation.

### **Third: Who Can You Turn to for Help?**

Through the entire process, from objective setting to final implementation, it is critical that you engage the support of experienced marketing automation professionals. As SiriusDecisions notes, “The inability to fill the ‘marketing skills gap’ is one of the greatest threats to the long-term viability of the marketing

automation platform space. All the technology in the world will be worthless if users aren't able to utilize the marketing automation platform in a deep fashion and aren't properly motivated and supported by the greater organization that surrounds them.”<sup>3</sup>

Working with experienced professionals will ensure that you have the support and guidance you need to keep your project on the right track. Essentially, there are two sets of skills required for marketing automation success:

- *Marketing process professionals* – These professionals have experience analyzing lead development processes and techniques. They can analyze your current marketing process, identify areas for improvement, and make recommendations to help you achieve your objectives. Invariably, they will be able to take the process findings and turn them into integrated campaigns that find and develop your target leads until they are ready to turn over to Sales. Armed with strong analytical skills, they also understand the “touch” side of marketing and can combine the two to great effect.
- *Marketing technology professionals*– These professionals are experienced in translating the marketing process into the appropriate technical implementation. They will frequently

3. “The State of Marketing Automation: Utilization,” SiriusDecisions, 2009

## *You Need Good Technology, But...*

*continued*

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have experience designing and implementing CRM platforms (such as salesforce.com) and have now taken those skills into the marketing realm. They should understand how the lead management system is constructed and how it interacts with the CRM platform. Strong technically, they also understand how the marketing process works and how the technology impacts what is possible in lead development.

It is rare to find both sets of skills in a single person, and most successful marketing automation projects have multiple persons to fill out the team. Ultimately, there will be the development of a marketing operations role. This role will be analogous (and work side-by-side with) the sales operations manager, ensuring that the marketing process and the technology that supports it are operating smoothly.

When selecting a marketing automation technology vendor, look for those that have a good track record of implementing successful marketing automation projects. They will have a good mix of these skills on staff, and a strong cadre of partners who can fill in the gaps as appropriate.

### **... It's About a Lot More Than Technology**

Selecting the right marketing automation platform is important. But first, you must start by understanding your objectives and investing the time in a planning process that sets you up for success. Once you've done this, you will be in great position to identify the marketing automation platform that best meets your requirements. Most importantly, make sure that the business requirements drive the technology decision, and don't be afraid to look for outside help with your business planning process. Put the business discussion first – the technology second. You'll be glad that you did.

# SUPERCHARGE YOUR DEMAND GENERATION WITH MARKETING AUTOMATION:

*The Power of Knowing Your Buyer and Your Buyer Knowing You*



**Sue Hay,**  
CEO, BeWhys Marketing, Inc.



**Cari Baldwin**  
CEO, Bluebird Strategies

## 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](http://www.bewhysmarketing.com) or email Sue at [shay@bewhysmarketing.com](mailto:shay@bewhysmarketing.com).*

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- 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.*

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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.

***“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.”***

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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

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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.

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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

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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.

## FOCUS ON THE MARKETING METRICS THAT MATTER



**Andrew Gaffney**  
Editor and Publisher,  
*DemandGen Report*

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THE continued shift from art to science in marketing at companies from Mozilla to P&G was highlighted in an article in the Jan./Feb. edition of Harvard Business Review (HBR) titled *Rethinking Marketing*. “Never before have companies had such powerful technologies for **interacting directly** with customers, **collecting and mining** information about them, and **tailoring their offerings** accordingly,” the HBR article pointed out.

Of all the areas where technology has helped to transform marketing, perhaps the biggest area of change has been the **ability to measure and track** the impact of campaigns. In the recent “Lessons from the Trenches” study conducted by *DemandGen Report* and Manticore Technology, 36% of early automation adopters indicated they had better measurement of campaign results and a **more efficient marketing spend** as a result of the technology.

Just as the advent of e-marketing ushered in metrics such as page views and click-through rates, the increased deployment of marketing automation systems has helped marketers **move beyond activity tracking**. Sophisticated marketers can now analyze and demonstrate the influence marketing is playing at different stages of the sales pipeline.

When properly deployed, marketing automation systems not only increase the flow of outbound campaigns, they also provide **detailed analytics on inbound website activity**, even for anonymous

visitors. This insight into the activity of prospects helps to build an ROI case for marketers, and also provides real intelligence into the interests and buying behaviors of prospects, which can be extremely valuable to the sales team.

For many companies, the adoption of marketing automation and the redefined role for marketing has changed the perception of marketing from a pure cost center to a vital part of the revenue creation process.

However, to achieve this transformation it is critical for companies to realize that marketing automation solutions do not run on auto-pilot. In order to generate meaningful metrics and intelligence from a system, BtoB organizations must first have a game plan to determine which metrics are meaningful to the company’s key initiatives.

A common mistake many marketers make is focusing purely on lead generation metrics. Reporting a 50% increase in lead volume is a nice feather in the cap for the marketing team and that flow helps to justify the initial investment in a marketing automation system. However, the conversation must quickly move beyond inquiries and responses to deeper insights into the buying behavior those inquiries are demonstrating.

According to the Forrester Research and Marketing-Pros Q1 BtoB Budgets & Tactics Survey, “improving lead quality” (cited by 44% of respondents) ranked

## Focus on the Marketing Metrics That Matter

continued



### About the Author

Andrew Gaffney is Editor and Publisher of DemandGen Report, a leading e-media publication

spotlighting the strategies that help companies better align their sales and marketing organizations - a key component of their coverage being on sales and marketing automation tools. Andrew has served as an Editor and Publisher for several different business magazines and has the unique ability to quickly identify the business issues that resonate and matter most to executive level readers. Subsequently, he has consistently helped create and match content that generates interest and readership among that executive community. Working with a wide variety of clients from tech firms to sports properties and lifestyle brands, Andrew has crafted successful campaigns built around white papers, event-based advertising sections and sales training materials for clients such as Major League Baseball, Canon, DuPont, SAP, Business Objects, Oracle and many others.

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in the top three challenges facing marketers, behind only “generating more leads” (50%) and “reaching decision makers” (46%).

To realize the full potential of automation, companies must build strategies and processes to optimize lead qualification and lead management. Recent research from the Sales Lead Management Association (SLMA) found that 58% of BtoB marketers do not qualify inquiries prior to lead distribution.

Sophisticated marketers have learned they can't pass an initial inquiry over to sales until they have at least gathered intelligence on basic qualification metrics, such as BANT (Budget, Authority, Need and Timing) scores.

By automating the delivery of a series of relevant offers and tracking response rates and online activity, marketers can further qualify the likely buyers from the tire kickers and help make the sales process much more efficient. While there is a long list of metrics BtoB marketers can track, we recommend focusing on the following three key areas:

**Database Enrichment**—The construction and expansion of a central prospect database, which acts as a subset of the CRM or SFA contact list, is usually one of the first priorities and payoffs for companies who adopt marketing automation.

Because many of the previously manual and time-consuming steps marketers rely on to drive list

opt-ins have now been simplified by automation (email campaign creation and delivery, webinar promotions, landing pages, registration forms, etc.), the ability to scale the lead database and fuel direct marketing efforts has been greatly enhanced.

Industry experts estimate companies must grow their contact lists by between 30% and 50% each year to offset list attrition and still support “net new lead” acquisition.

In fact, it is not uncommon for newer lead databases to grow by more than 100% each quarter, which again is good news for marketing to report at a pipeline meeting, but that high volume of activity leaves a lot of room for leads to leak from the funnel. The emphasis on volume also traditionally lends to a focus on quantity over quality, and records often wind up incomplete and/or inaccurate.

As companies begin to measure the performance of their campaigns, it is vital to have accurate contact information. Invalid email addresses or missing data can negatively impact deliverability and open rates of campaigns.

Another big payoff of advanced automation systems is the ability to get deeper information on a contact by gradually gathering more information with each campaign. Through the use of Progressive Profiling techniques, companies can auto-fill the fields a prospect has completed in previous visits and then

*“The ability to track lead progression throughout the funnel ultimately allows marketers to clearly demonstrate how their programs have contributed to pipeline performance. Organizations with closed loop processes and tracking can easily report on Marketing Contributed Pipeline, taking the traditional mystery out of whether marketing investments are really driving business.”*

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require the prospect to share more insights into business challenges, budgets and project timelines. This type of detail advances the lead database from a pool of respondents to real intelligence that can be shared with the sales team and exported into the CRM system.

**Pipeline Conversions** – Some marketers are still adjusting to their role in the revenue generation process, while other more advanced practitioners are already looking to increase their influence on prospects at each stage of the buying cycle.

Tony Jaros, VP of Research at SiriusDecisions, recently pointed out that the expansion of demand generation programs has led to an over-emphasis on the top of what SiriusDecisions has defined as the Demand Creation Waterfall. Jaros argued that not enough work is being done in lead nurturing and lead acceleration in the later stages of the waterfall. “The over-hype on the ‘create’ task has devalued the other tasks that sales and marketing should be working on together,” Jaros said.

Two of the “other tasks” Jaros pointed to are lead acceleration and lead nurturing. By incorporating these lead management techniques, leading BtoB organizations have been able to improve their conversion rates at each phase of the funnel. By achieving single digit improvements in converting inquiries to qualified leads or leads to opportunities, these companies are seeing big gains in the number of deals closed each quarter.

As many companies are struggling with deals stalling in the later stages of the sales funnel, marketing departments are becoming more active in creating sales enablement content and messaging to help **accelerate the buying process** and remove obstacles.

For those companies measuring and tracking marketing’s impact at all phases of the sales funnel, the influence on closed business has become much more transparent. The dashboard for these organizations has moved beyond Cost Per Lead (CPL) metrics and now drills down to the Cost Per Opportunity (CPO) and even the Cost Per Deal (CPD).

**Revenue Impact** – Jim Lenskold, President of the Lenskold Group and author of *Marketing ROI, The Path to Campaign, Customer and Corporate Profitability*, recently pointed out that on average, less than 10% of leads ultimately convert to closed business, leaving a significant volume of leads needing to be nurtured.

“If only 2% to 10% of leads are converting to closed sales, it means 90% to 98% of the leads are **leaking out of the funnel**, offering plenty of room for performance improvements,” Lenskold said.

“Marketing organizations that are restricted to lead generation with a minimal role in supporting the sales pipeline should look closely at the opportunities here to build the case for better alignment and integration.”

## Focus on the Marketing Metrics That Matter

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As lead nurturing becomes more mature in BtoB organizations, Lenskold added that other metrics such as the average days from **lead hand-off to sales contact** become important as they reflect responsiveness and the “freshness” of leads contacted. With a common set of metrics and processes in place between sales and marketing, ideally companies are able to map the **timeline** it takes to move prospects from “**cold to close**” and then establish goals to condense that timeframe.

The ability to track lead progression throughout the funnel ultimately allows marketers to clearly demonstrate how their programs have contributed to pipeline performance. Organizations with closed-loop processes and tracking can easily report on Marketing Contributed Pipeline, taking the traditional mystery out of whether marketing investments are really driving business.

In addition to specifics on Marketing Contributed Revenue, companies are also factoring multi-touch lead nurturing campaigns and beginning to track Marketing Influenced Pipeline.

Leading BtoB organizations now have established metrics around Marketing Contributed and Influenced Revenue, and can clearly illustrate, for example, how for every \$1 invested in demand generation programs, at least \$2 in revenue will flow from the bottom of the funnel in closed deals. Ultimately, those are the only metrics that matter as they make it easy for marketers to justify budgets and be seen as a collaborative partner in the revenue generation process.

# USE CONTENT INTELLIGENCE TO DRIVE PIPELINE MOMENTUM



**Ardath Albee**  
CEO,  
*Marketing Interactions, Inc.*

## SECTION:

YOU can't go anywhere today as a B2B marketer without hearing the battle cry, "Content is King." That may be so, but it takes more to achieve success with content marketing than just publishing content. For your marketing content to play a tangible role in driving pipeline momentum, you've got to have a strategy to gather and use content intelligence. **Content intelligence is the information you need to determine how to connect with prospects at the right time with the right message.**

Marketing automation is the platform that powers the ability to harness content intelligence and act upon it to increase relevance for prospects. The ways in which your prospects interact with your marketing content can tell you where prospects are in their buying process and help you know how to respond appropriately to encourage them to take the next steps. Prospects' content activity provides the feedback to enhance lead scoring accuracy, improve the relevance and resonance of lead nurturing programs and escalate conversions to salespeople. It's critical to know when prospects hit the tipping point to move from online interactions to in-person conversations and to ensure that transition happens without a loss in momentum.

Take a look at three ways content intelligence can help marketing drive pipeline momentum:

### Right Message, Right Time.

Delivering the right message at the right time is easier done when marketers map their content to the buying process of specific profiles or personas. The more targeted your segments, the tighter the connection. A content strategy is not just about developing an editorial calendar based on a theme. It's about designing content to help you gather intelligence about prospects based on which information they engage with and what you can learn by their patterns of their activity over time.

Marketers need to step into their prospects' shoes in order to do this well. Consider what happens when you need to purchase something you may have never purchased in the past, or not for a long time – a car, for example. What's the first thing you do? You probably think about what kind of car you want. You've likely been eyeing a particular car when you pass it on the road, or you've been captivated by a commercial enough to want to know more. Next, you probably do an Internet search.

A similar path is true for your prospects in relation to a problem they need to solve. When they turn to a search engine, the question they type is likely influenced by something someone said, something they read or heard about, or the nature of the problem they're dealing with (e.g., low employee morale, higher lead volume, product design efficiency).

## Use Content Intelligence to Drive Pipeline Momentum

continued



### About the Author

*Ardath Albee, author of eMarketing Strategies for the Complex Sale, is CEO and B2B marketing strategist for her consulting firm Marketing Interactions, Inc. She taps over 20 years of business management and marketing experience to help her clients create customer-focused eMarketing strategies. Writing the noted Marketing Interactions blog involves her in substantial industry and customer conversations, deepening her knowledge of what companies can achieve while verifying many of her principles. Her blog posts are referred to often by other industry leaders and her blog is syndicated on community websites such as Junta42, The Customer Collective and My Venture Pad. Her articles have been used for university ezines, published by Rain Today Special Reports, CRM Today, Selling Power and Enterprise CRM News.*

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The truth of the matter is that problems have escalated in complexity. The more integrated a company has become, the more moving parts that are affected by even the smallest of changes. This means that prospects need to learn a lot before they become confident enough to have a discussion about how to solve their problems. Educating them at each step is the imperative for B2B marketers.

To map content to the buying process, make a list of all the questions your prospects will need to answer in order to build a business case and justify return on investment. Think about this in steps. Their initial questions are not about which companies or solutions to consider. Your prospects are concerned about why they should care, what they need to know and how the issue is impacting their industry and their competitors. Every question you come up with in regards to those areas of concern has an answer that can become a content resource. String them together appropriately and you have a content map.

Marketing automation comes into play by showing you how your prospects interact with both nurturing content not publicly available as well as the content on your website or blog that they can choose to interact with whenever the desire strikes. Because you can track what they view, you can see whether their interest was brief or extended. If they are prompted by a nurturing email to read an article, for example, but they also click on your carefully placed

related links to other content, the storyline builds and you can see that extension. If, instead, they click on the link to the article and then leave, ignoring the related links, they may not be as interested.

Without marketing automation, you'd never know the difference. When you know that a prospect is reading a content article about why they should care about solving the problem, you now have the intelligence to know that they're not likely to be ready for content that discusses the value of your offering. With marketing automation, you can make intelligent choices about each step you take with your prospects, working in parallel with them by providing the right message at the right time.

### A Lead's Score is Not Just a Number

One of the biggest benefits provided by marketing automation is the ability to create a lead scoring model to help you prioritize prospects based on the accumulation of points awarded for specific online behavior, demographic fit and recency of interest. When creating a lead scoring model, the objective is for the changes in scoring intervals to help define how you choose to interact with a prospect to further their engagement. This said, you must realize that a lead's score is more than a number. For example, all leads with a score of 40 are not expressing the same levels of interest. The difference is in what makes up the score.

***“A content strategy is not just about developing an editorial calendar based on a theme. It’s about designing content to help you gather intelligence about prospects based on which information they engage with and what you can learn by their patterns of their activity over time.”***

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Let’s take a look at an example focused only on activity scoring for simplicity.

Prospect A is passively engaged. She is willing to spend some time with your content when prompted, but not showing any urgency in pursuing additional information. Prospect B explored related content after reading the content accessed via the links in nurturing emails. Prospect B also gave you an hour of his time to attend the webinar. Based on how the scoring interval for Prospect B changed during one month, it would be prudent to trigger personalized outreach to find out just how interested they are. In fact, if the lead scoring example above included fit and recency points, this Prospect B would be prioritized in your dashboard for follow-up activities.

When you monitor lead scoring for interval increases, your focus is directed to the leads whose activity warrants further response. Based on the content the prospect is viewing, you have the intelligence to make additional high-relevance offers to further engage your most interested prospects. Because you can view their activity history, you know which business priority the prospect is working to address.

Consider the difference in how you’d follow-up with a prospect engaged with specific customer success stories versus a prospect engaging with educational information about industry trends. The ability to make every interaction count can be enhanced by the intelligence gleaned from the content prospects

### Prospect A: Activity Score = 40

- ✔ Viewed 10 content articles after clicking on 10 email links over the period of 5 months.
- ✔ Downloaded a white paper 2 last week after clicking on an email link.
- ✔ Has never visited your website without being prompted.

### Prospect B: Activity Score = 40

- ✔ Viewed 2 articles after clicking on two email links over the period of 1 month.
- ✔ With each visit, the prospect also clicked on links to additional related content.
- ✔ This equates to reading a total of 5 articles in one month.
- ✔ Registered for and attended a webinar you hosted 1 week ago.

viewed, how recently they did so and how long it held their attention. Lead scoring also enables prospects to self-qualify with scoring intervals that can be used as an alert system. This is critical to enabling marketing and sales to take the appropriate actions at the time they’ll be best received.

## The Sales Handoff is Not the End

The beauty of marketing automation is that it can provide continuous end-to-end intelligence about the entire lifecycle from prospect through customer. With integration into CRM systems, marketing can

## Use Content Intelligence to Drive Pipeline Momentum

*continued*

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prompt the transfer of a prospect to the sales team and then enable sales to return them for continued lead nurturing or for insertion into a customer nurturing program. This ensures that no one is ever dropped or ignored, regardless of whether they remain a prospect or have become a customer.

After handoff to the sales team, marketing can provide end-stage content for sales to use that keeps up the momentum. Based on the content the prospect engages with during their time with sales, marketing can now gain intelligence about the effectiveness of content across the entirety of the buying process. With closed-loop feedback from salespeople in conversation with prospects, marketing can learn about questions salespeople were asked and test answering them with content to learn whether getting that information to prospects earlier in the nurturing process can speed time to sales readiness.

Additionally, marketers need to start thinking post sale. Create a “lead” scoring model for customers. Customer nurturing can play a critical role in helping your company expand from a foot-in-the-door opportunity into bigger projects. Based on the offering your customer purchased, nurturing programs

should be designed to help them take next steps to move up a level or add on to their initial purchase with services or support options. Once again, by providing the right message at the right time and watching for scoring interval changes, marketing can reconnect salespeople with customers when the time is right to maximize up-sell or cross-sell opportunities.

### **Visibility and Intelligence Drive Marketing Effectiveness**

Marketing strategies are driven by content. But content without the visibility provided by marketing automation lacks the intelligence to enable you to demonstrate measureable impact to revenue generation. Maximizing the value of content intelligence requires that content be designed to tell you as much about prospects as it tells prospects about how to solve their problems. As a marketer, you need those insights provided by technology to continuously raise your game and deliver the relevant interactions buyers are demanding—now and into the future.

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



**Robert M. Walmsley**  
President and CEO,  
Tailwind Strategies

## SECTION:

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

	<b>Buying Trend</b>	<b>Sales Implication</b>
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.

## Why Marketing Automation is a Must-Have For Every B2B VP of Sales

continued



### About the Author

*Robert M. Walmsley is President and CEO of Tailwind Strategies.*

*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.

Why Marketing Automation is a Must-Have For Every B2B VP of Sales

continued

*“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.”*

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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

## Why Marketing Automation is a Must-Have For Every B2B VP of Sales

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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

## Why Marketing Automation is a Must-Have For Every B2B VP of Sales

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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%.

## Why Marketing Automation is a Must-Have For Every B2B VP of Sales

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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

## *Why Marketing Automation is a Must-Have For Every B2B VP of Sales*

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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.

# CONVERSION STACK: MARKETING AUTOMATION FOR PERFORMANCE MARKETERS



*Brian Massey*

*Conversion Scientist™*

*Conversion Sciences*

## SECTION:

YOU may be wondering if marketing automation is really worth the investment. But if you're a performance-oriented marketer—focused on the science of turning prospects into future customers, always concerned about knowing exactly which of your marketing efforts worked and why – that's like asking if you're getting your money's worth from Microsoft Word; it's something you just can't do your job without.

In this article, I'm going to walk you through the components of the modern online marketing strategy – a strategy that cannot be implemented without automation.

To automate something, we must first understand it.

Performance marketers are focused on turning their online channels into lead generation engines or revenue streams. They focus on **conversion**.

"Conversion" is the term given to a series of magical events in the life of a customer, in which a stranger becomes a suspect, a suspect becomes a prospect and a prospect becomes a customer.

In online marketing, a marketer focused on converting visitors to prospects or sales must embrace a set of capabilities, each enabled by and depending on its predecessor. These steps create a capability "stack" (see Fig. 1) that is helpful in planning the implementation of the efforts that make conversion marketing possible.

## The Conversion Stack

Today, when one thinks of conversion marketing, one generally thinks of **Website Optimization** or **Conversion Rate Optimization**. These practices focus on measurement and optimization, and represent the top of the stack of capabilities that online marketers must master to outpace competitors online.

Before a business can begin measuring and optimizing a website or other online marketing strategy, the foundational issues of business goals, visitor profiles, content requirements, and delivery channels must be addressed.

Every business with a Web presence has invested at some level in the conversion stack. However, those companies that embrace these capabilities develop a momentum and velocity in their online strategy that allows them to accelerate past entrenched businesses. These businesses use the conversion stack to leverage their marketing efforts, changing the math of marketing in their favor. The goal is to grow revenue while reducing real marketing costs.

Marketing automation helps marketers define and carry out each capability in the stack with a precision that would be difficult if not impossible to achieve otherwise, and therefore plays a crucial role in an organization committed to performance marketing.

## SECTION:

### Conversion Stack: Marketing Automation for Performance Marketers

continued



#### About the Author

Brian Massey calls himself a Conversion Scientist and he has the lab coat to prove it.

“Conversion” is the process of converting Web traffic to leads and sales, and his practice, Conversion Sciences, brings this discipline to businesses of all sizes. Since 2001, Brian has built the marketing strategy and infrastructure for a number of technology companies. In 2006 he began educating businesses on conversion which is the key to online marketing success. He has crafted online strategies for dozens of businesses, strategies that drive their most valuable visitors to take action. Brian is a national speaker, the author of the Conversion Scientist blog at ConversionScientist.com and writes for ClickZ.com and Search Engine Land. He lives and works in Austin, Texas where life and the Internet are hopelessly intertwined.



Figure 1: The Conversion Marketing “Stack”

#### Business Goals: The Base of the Stack

The Internet cannot meet all of the goals a business has for growth. However, your business can accomplish things online that are impossible or cost-prohibitive through another channel, such as:

- Improve the quality of leads, **reducing sales costs** and increasing close ratios.
- **Reduce inbound calls** for information by moving interactions to the Web.
- **Eliminate expensive marketing channels.**
- **Reach prospects** not found via other media.
- **Add online services** that make your offering more valuable.
- Increase **cross-sells and up-sells.**
- Increase **average sales price.**
- **Steal market share** and mind share from our competitors.

At this stage, we seek to define the integration points of our marketing automation system, and to establish our baselines performance metrics.

#### Defining Your Marketing Automation Integration Points

While we can measure many things with sophisticated marketing automation tools, it is critical that we focus on those capabilities that are necessary to our business goals, and ignore (or defer) those that are not.

If our business has a long sales cycle involving direct sales efforts, integration with a Customer Relationship Management (CRM) system is crucial; it is how we track our leads through the sales process.

If we are tasked with reducing the sales cycle, we will want a two-way integration between our CRM and our marketing automation system so that we can monitor our success over time. Otherwise, a simple one-way integration may be sufficient.

Likewise, if we seek to increase the average sales price of new customers, we will need to integrate with our financial system to retrieve and measure that goal.

*“Each time you send a communication, you are testing a set of assumptions – assumptions about what your prospects want and need in their buying process, about the format of the content, and about the places they want to consume it. Every communication can tell us the ‘why’ of our success or failure.”*

## SECTION:

### Choosing Key Performance Indicators (KPIs)

There is a metric that we can use to either define our success for each goal, or approximate it. For example, “reducing sales costs” means that the sales efforts are converting more leads into customers. However, there is no off-the-shelf metric for “sales cost” reported by our marketing automation systems.

Instead, the **close ratio** – the number of leads converted divided by leads generated – would be a reasonable proxy for reducing sales costs.

Likewise, the success of cross-sells or up-sells may be measured by the frequency of repeat purchases or by the average lifetime value of existing customers.

There should be a small set of KPIs that define your top-level online business goals. All other metrics help you answer the question of “why.”

Don’t let the metrics drive your curiosity. Let the business goals drive the choice of metrics.

### Defining Your Baselines

There are lies, damn lies and analytics, to paraphrase author Mark Twain. Analytics are rarely accurate.

You must instead **measure changes** in your KPIs. To measure changes, you must first establish baselines for each.

In most industries, a year’s worth of analytics data is necessary to fully account for seasonal changes in the marketplace, but don’t let this stop you. Implement your analytics tools and let them begin collecting data. In the mean time, estimate your KPIs manually, by gathering data wherever you can. Eventually, your analytics will determine your baselines.

The goal is for the current performance of any KPI to exceed its baseline. Proper reporting is done in terms of percentage increase or decrease. If a KPI consistently rests above its baseline, you have established a new baseline to beat in the coming weeks and months.

These baselined KPIs define your “dashboard.” However, as you will soon find out, dashboards are unsatisfying because they don’t answer the question, “Why is this KPI changing.” We’ll talk about understanding “why” a little later.

SECTION:

### Visitor Profiling: Aligning Your Business Goals with Visitor Buying Habits

Traditionally, there has been a disconnect between the websites and the needs of visitors. Most business sites follow a “brochure” style approach, in which the site talks about the company and its products. This is not what your visitors want.

They want you to talk about them and their problems.

### Touchpoint Personas

Personas are, and have been for decades an effective way to organize and communicate what a business knows about its customers.

The job of the touchpoint personas is to bring market data alive by creating sketches of the people from the data; naming them, giving them a face and telling their story.

Touchpoint Personas differ from traditional customer segments in one significant way: We are only interested in what they need at the moment they are interacting with our measurable online communications. This singular focus allows us to zero in on those things that a visitor needs.

I recommend the book *Waiting for Your Cat to Bark?* by Jeffrey and Bryan Eisenberg for a complete run-down of Web persona development.

One of the most important outputs of the persona process is the list of “points of resolution.” These are the pieces of information that a visitor **must uncover in order to feel comfortable taking action**, to become a prospect or a sale.

These become the content that you will use on your website, in your outbound marketing and throughout your channels. As you will see, content allows us to answer the question “why” when our performance changes, for the better or worse.

### Content Strategy: We are No Longer Marketers

We are no longer marketers, but publishers. In almost any industry, any market, it is absolutely necessary that we provide information, guidance, education and entertainment to the marketplace. The Internet has turned our prospects into researchers, and we must provide them with the content that answers their questions.

Our personas give us a complete picture of those visitors that will move our business forward. We know why they are visiting and how they like to receive information. Their demographic profile will tell us which technologies they use and this helps us select the proper format for our content. The points of resolution tell us exactly what our content should cover.

## Conversion Stack: Marketing Automation for Performance Marketers

continued

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At this point, our content strategy should unfold like the board game “Clue.” In the popular board game, we use a process of elimination to understand **who** committed a murder, **which** weapon was used, and **where** the deed was done.

In our game of “persona clue”, we create a list of similar actions. We deduce **who** we are targeting, **which** point of resolution we are addressing, and **where** this information will be delivered.

We might say, “Darla Decider will download ‘Ten Reasons Projects Fail’ as a white paper on our website.”

What we have done with this step is change the conversation from, “Which Webpages do we need to develop?” to, “How can we make this important content available to our best prospects?”

*Content is the coal that will stoke the furnaces of your marketing automation system.*

### Media and Channels: Mixing Media in the Right Proportions

If our content strategy is about giving prospects what they need, our media strategy is about placing content where our prospects can find it.

Touchpoint personas will be immensely helpful in identifying the right mix of channels through which

to deliver and advertise content. Demographics will give you some idea of your prospects’ media preferences. For example, prospects over 55 are still best reached through email.

Media selection is an evolving process, especially in a world in which so many new channels are appearing every year. In a few short years, we’ve moved from Web pages, email, and banner ads, to search marketing, social networks, RSS feeds, blogs, micro-blogs, and mobile applications.

It’s an exciting time to be a marketer.

This is where marketing automation becomes indispensable. It is your publishing and distribution system. It must help you manage a stream of content delivered through a variety of channels and track results along the way. Your investment in **publishing automation** will also allow you to test multiple versions of your content to see which affects your KPIs most positively.

### Your System Should Be Easy to Use

You should be able to intuitively setup a variety of content campaigns and see the results. The days of the “launch and watch” website are over. In most industries changes must now come weekly or daily.

**SECTION:**

### **Your System Should Not Be a Silo**

Producers will need appropriate access to create and stage new content. It should be easy for members of the team to check content and settings to ensure the campaign will launch successfully.

### **Your System Should Offer a Variety of Metrics**

Each content format and channel will be measured differently. You must be able to track downloads of whitepapers. You must be able to track the conversion rates of email-based content. You must be aware of how often a link is shared on social networks.

Needless to say, you will need some help coordinating all of this activity and measuring the results. If you aren't intimate with your marketing automation tool, you're not doing performance marketing.

### **Measuring and Optimizing: Every Communication is a Test**

At the pinnacle of the conversion stack is optimization. Optimization involves making changes based on the metrics you've captured.

Every communication is a test.

Each time you send a communication, you are testing a set of assumptions – assumptions about what your prospects want and need in their buying

process, about the format of the content, and about the places they want to consume it.

Every communication can tell us the “why” of our success or failure.

For each communication, you must devise a strategy to measure the effectiveness of the content. **Each communication will have a set of primary KPIs.**

An email newsletter may invite readers to purchase a new line of shoes, and to join your Facebook page as well. If the primary goal is to sell shoes, you must be able to measure the conversion rate of the email.

It isn't sufficient to increase sales of the shoe. You must have a strategy to know how many sales were generated by this email.

### **Watch the Results**

The final step of each communication – the step too often overlooked – is reviewing your results. When the communication has run its course, you simply look at the KPIs to learn the secrets desires of your audience.

Which articles are read most? Which subject lines convert well? Which discounts generate sales? Which tweets draw the most visits?

Your marketing automation system should provide easy drill-down to the metrics that define the success of each effort.

**SECTION:**

**Conclusions**

You are sitting in the monthly executive meeting. You have created a slide deck with your top-level KPIs as reported by your marketing automation system. They are a summary of how your individual efforts have affected the bottom line.

When the questions come, you know the “why” and the “what’s next” for your marketing efforts.

“Why did our conversion rates go down, but our revenue go up?” the VP of Sales asks.

You know the answer. You tick off the four or five programs that delivered solid results, and then list those that drew unqualified traffic to the site, stating that they will be modified or discontinued. You’re a performance marketer.

**The Business that Knows Grows**

Each item of content you produce will have different versions, be available through multiple channels, and will be measured differently. Today’s online businesses won’t function without a useful marketing automation system, a tool that be used by many members of the team.

The Conversion Stack isn’t linear, and businesses can expand their capabilities in any of these areas. However, those businesses that dominate in their industry through online marketing will be proficient in all of the capabilities presented here.

**Resources**

For an explanation of KPIs read “Web Analytics 2.0: The Art of Online Accountability and Science of Customer Centricity” by Avinash Kaushik.

To develop touchpoint personas, read “Waiting for Your Cat to Bark?: Persuading Customers When They Ignore Marketing” by Bryan Eisenberg, Jeffrey Eisenberg and Lisa T. Davis.

For designing measurable social media campaigns, read “Social Media Marketing: An Hour a Day” by Dave Evans

For more on conversion strategies, read Brian Massey’s Conversion Science column on Search Engine Land. <http://selnd.com/cSlkkg>

# 6 STEPS TO FIND UNTAPPED REVENUE IN YOUR MARKETING DATABASE



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## SECTION:

IN most B2B companies, lead generation is a vital process to make sure the sales force can reach their sales goals. Unfortunately, many companies approach lead generation as a one-time effort: new leads are added to the database, but the follow-up is haphazard. The result is that only the immediately apparent sales opportunities are followed up with. Prospects who are not yet ready to talk to sales are ignored: a clear case of follow-up failure that results in lost revenue. Fortunately, you can still capture most of that revenue if you start a lead nurturing project. This article suggests six steps to find untapped revenue in your existing lead database.

### 1. Choose The Right Audience

To move leads closer to a deal, you need to give them information that is highly targeted. An executive needs different information from an end user and the needs of prospects are different from the needs of existing customers. If you don't tailor your follow-up to the specific needs of your audience, you won't be effective in turning them into qualified leads. It's often hard to address all segments at the same time, so focus on the promising segments first. If you sell multiple complementary products, you may want to target existing customers and promote add-on products. If you have a product trial, you may want to focus on converting more trial participants into customers. It

really depends on your business, so it's not an exact science. Once you know which segments you want to focus on, make sure you can identify those people in your database: you may have to improve the quality of your data first.

### 2. Know All About Your Audience

Once you have defined your different target groups, spend some time getting under the skin of each target group. To make this more tangible, create a fictitious person who is part of this target group, give him or her a name, and start brainstorming. Write down the typical demographics, such as job titles, company size, and so on. Then continue with responsibilities, job goals and typical challenges. Also ask your sales people for the questions and objections they hear from this target group, and what steps they take when they are moving towards making a buying decision. Then finally, describe how your company's solutions help the personas solve their challenges. Step by step you are getting a complete picture of the needs of your prospects, and how you can help them.

### 3. Create Content That Your Audience Needs

As you develop your target audience personas, you can start addressing any knowledge gaps or

## 6 Steps to Find Untapped Revenue in Your Marketing Database

continued



### About the Author

*Jep Castelein is a long-time marketer, a thought leader in the area of lead management and principal of LeadSloth. He helps mid-size technology companies find untapped revenue in their marketing databases. Jep has developed the 7-step methodology that is guaranteed to uncover new sales opportunities within 3 months or his services are free. To learn more, please visit [www.leadslloth.com](http://www.leadslloth.com) or contact Jep at [jep@leadslloth.com](mailto:jep@leadslloth.com) or 1-888-4A-SLOTH.*

### SECTION:

objections that prevent prospects from moving forward in the buying cycle. You'll need lots of compelling content for this. Ideally, you create content for each persona and for each distinct buying stage that they go through. At every stage the content need is different. For example, in the "needs recognition" phase prospects may need a high-level overview and lots of examples, but when they're in the final purchasing stage, they may prefer an analyst report that confirms that they're making the right choice. Also, different people prefer different formats: people with a long commute may like podcasts, while others want to print out a whitepaper to read at home. So make sure you have a variety of formats available.

#### 4. Make Offers They Can't Refuse

Content alone is a very soft selling strategy. It is a strategy that works because you build a lot of credibility by providing high quality content. But not all leads are going to give you a call when they're ready to buy, so you need to have some kind of sales-readiness gauge. Lead scoring is one of them: you score the lead's demographics and assign points to the lead's behavior (e.g. 10 points for a multi-page web visit). When the score reaches a particular level, you can pass the name on to Sales. Lead scoring can

be combined with conversion events, where leads make a small commitment to your company and invest time to learn more about the type of solutions you offer. This could be attending a live webinar, or a request for a free consultation. Conversion events are also a great trigger to pass prospects on to Sales.

#### 5. Have Conversations

At this point, you've carefully segmented your audience and analyzed what content and offers are perfect for them. In this step you're going to design conversations around that content. This is challenging, because you don't have a one-to-one conversation with prospects, so you will have to make some assumptions. First of all, it's usually best to keep it simple. My recommendation is to think of your conversation as a storyline, like in video editing software, where you have multiple tracks that run in parallel. You can add a prospect to one of more nurturing tracks, or move them from one track to another. The tracks themselves are just a sequence of messages, one message every week, month or whatever period you choose. As a rule of thumb, make sure each track has enough content to cover the typical duration of the buying cycle. Based on a prospect's responses to the messages you're sending, you can add them to a different track.

## 6 Steps to Find Untapped Revenue in Your Marketing Database

continued

***“Marketing’s effort in nurturing prospects is only worth its time and money if Sales takes the qualified leads and closes some deals. If you involve them in the design of the campaign, they will better understand the purpose and be more committed to follow-up on qualified leads in a timely manner.”***

### SECTION:

## 6. Collaborate With Your Sales Team

Marketing's effort in nurturing prospects is only worth its time and money if Sales takes the qualified leads and closes some deals. If you involve them in the design of the campaign, they will better understand the purpose and be more committed to follow-up on qualified leads in a timely manner. Also, they can give you feedback on how to improve the campaign, because they will talk to the prospects in person and be able to judge whether they are really sales-ready. And if not sales-ready, sales people can push the prospects back into the best lead nurturing campaign.

## Conclusion

The promise I make in this article is that you'll find untapped revenue in your existing lead database. That is not going to materialize overnight, but you should be able to show some progress to justify the investment in time. This is where the new generation of marketing metrics comes in: by defining stages in the lead funnel, you should see your prospects getting more-and-more sales ready. Also, by linking your nurturing campaigns to the sales opportunities in your CRM system, you will immediately see when the prospects you nurture turn into opportunities. When the deals close you can claim responsibility, or at least, show that you've influenced the deal. You may not get an unexpected deal in the first week, but if you consistently nurture your leads, I guarantee that you'll turn more leads into deals and get credit for it.



## ABOUT MANTICORE TECHNOLOGY:

MANTICORE Technology is the trusted marketing automation provider enabling companies to effectively manage their marketing funnel and deliver qualified leads to sales. Manticore solutions deliver unmatched usability and power to generate and manage demand, measure and optimize ROI, and develop the sales pipeline for predictable revenue growth. Founded in 2001, the company has 8 years of development and infrastructure to support its hundreds of customers throughout North America, Europe and APAC. Key to Manticore's growth has been its success-driven, customer-centric approach, working closely with their customers to improve their marketing effectiveness, increase demand and boost revenues.

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