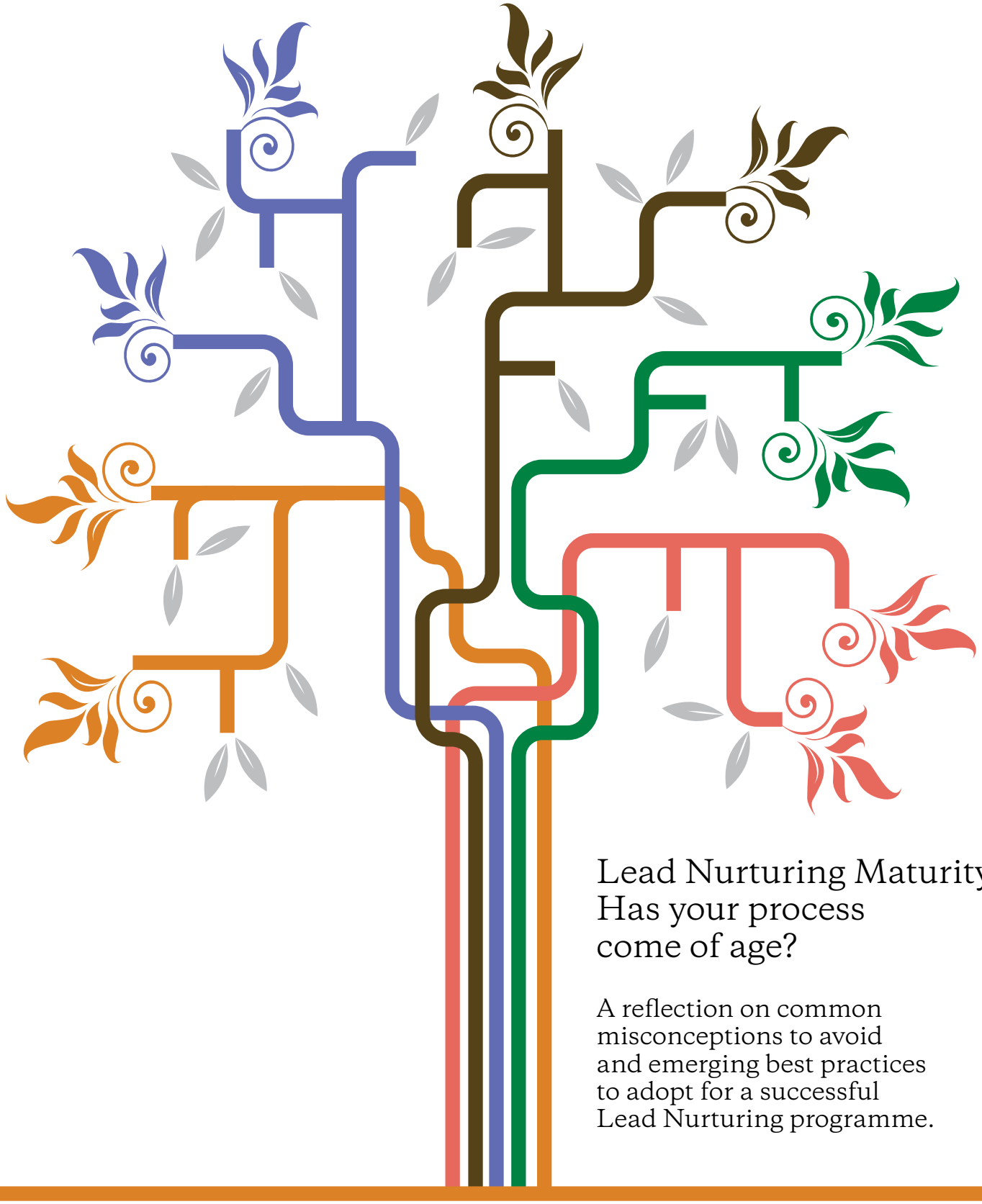
New Industry Review



Lead Nurturing Maturity: Has your process come of age?

A reflection on common misconceptions to avoid and emerging best practices to adopt for a successful Lead Nurturing programme.

slipstream

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Introduction

Lead Nurturing is a maturing discipline and many organisations have been quick to implement such programmes to foster sales through interaction with their prospects. However, many organisations have been quick to do so without getting the strategy right first. A study by Forrester[1] concluded that Lead Nurturing is still "the most immature part of demand management today", and there remains an obvious divide between companies in the early stages of Lead Nurturing and those that have successfully implemented mature nurturing strategies.

Lead Nurturing requires a strategic approach from which to cultivate leads and generate sales from across the buying cycle. Such strategies should take into account the unique proposition of the organisation, the characteristics of its prospects at each stage of the buying cycle and the most relevant communication methods to establish long-term relationships.

To achieve this, Marketing and Sales must be aligned in the pursuit of leads so that resources can be deployed by the right team at the right time. All too often a Lead Nurturing programme will flounder when these departments work in isolation or, worse still, cannot agree their respective responsibilities. Significantly, however, it is not just these organisational factors that must be considered when developing a successful Lead Nurturing programme.

This guide is designed to help the reader identify and avoid popular misconceptions about Lead Nurturing programmes that often result in wasted effort and resources.

For marketers, it sets out best practice guidance on the development and execution of Lead Nurturing strategies which can be used to convert quality leads and deliver higher sales revenues.

[1] Forrester Research, How Managing Leads Pays Off In A Stronger, More Qualified Pipeline

5 common misconceptions of Lead Nurturing

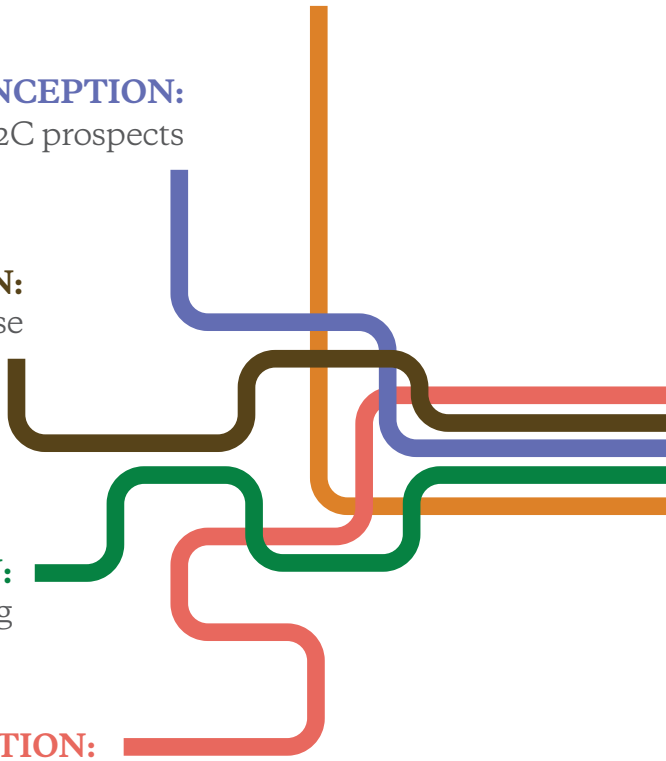
Much has been written about Lead Nurturing as the discipline has developed. However, organisations should be wary of thinking that it is simply a step-by-step process. As we enter a decade in which Lead Nurturing programmes move from being a 'grand idea' to a core element of the organisation's Sales & Marketing activities, we must learn from previous successes and failures.

From our experience, we have identified five common misconceptions about Lead Nurturing and explain how these can be avoided; from strategic design through to execution.

#1 MISCONCEPTION:
Lead Nurturing is a 'one-size fits all' approach

#2 MISCONCEPTION:
Lead Nurturing is the same for B2B and B2C prospects

#3 MISCONCEPTION:
Lead Nurturing means reacting to a campaign response



#4 MISCONCEPTION:
Lead Nurturing is all about email marketing

#5 MISCONCEPTION:
Lead Nurturing is the same as Lead Automation

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#1 MISCONCEPTION:
Lead Nurturing is a 'one-size fits all' approach

Making the assumption that the customer journey is the same for every proposition is an over-simplistic approach. While there is a general pattern that can describe how customers move in stages from 'interest' through to 'purchase', in practice the customer experience of this journey varies with different propositions and with customers' own business characteristics.

Successful Lead Nurturing programmes apply strategy, tactics and communications tools that vary depending on the proposition. Propositions with longer, more complex sales cycles and a higher sales value will require very different marketing and sales tactics to lower value propositions with shorter or simpler sales cycles.

Lead Nurturing programmes need to be individually designed to reflect the characteristics of the proposition and the purchasing journey that prospects will go through.

#2 MISCONCEPTION:
Lead Nurturing is the same for B2B and B2C prospects

While it is true to say that B2B and B2C Lead Nurturing both involve marketing to people, within a B2B setting Lead Nurturing frequently needs to target a wider range of business decision-makers and influencers (who may be in different functional departments).

Lead Nurturing programmes should recognise that business decisions are frequently made by a decision-making unit involving a number of people in different roles. Complex decision-making requires a Lead Nurturing programme that recognises a wider sphere of influence than a single contact.

Thought-leadership, advice and continual proposition awareness are essential. The seller must attempt to reduce the risk involved in the buying process for both the individual and the prospect organisation by understanding the process those buyers go through and their 'pain points', providing supporting information at key stages.

#3 MISCONCEPTION:
Lead Nurturing means reacting to a campaign response

Triggering a response to a customer interaction (e.g. a website hit or a click-through from an email) does not establish a relationship. Organisations must enter a dialogue to discover more about prospects and to target communications that foster interest in the proposition.

This requires Lead Nurturing programmes that are proactive, recognising where prospects are in the buying cycle, the risks that they perceive and what information is required to address those risks.

It means building a relationship with prospects and providing content that is relevant and useful to the buyer by preparing a range of content in advance and identifying how and when it can be deployed effectively.

#4 MISCONCEPTION:
Lead Nurturing is all about email marketing

In Lead Nurturing, content is king. Communication tools are simply the vehicles for delivery. Email communication is an effective tool but it is not a 'silver bullet'. Potential customers need information to help them make decisions and email is just one method of delivering that information.

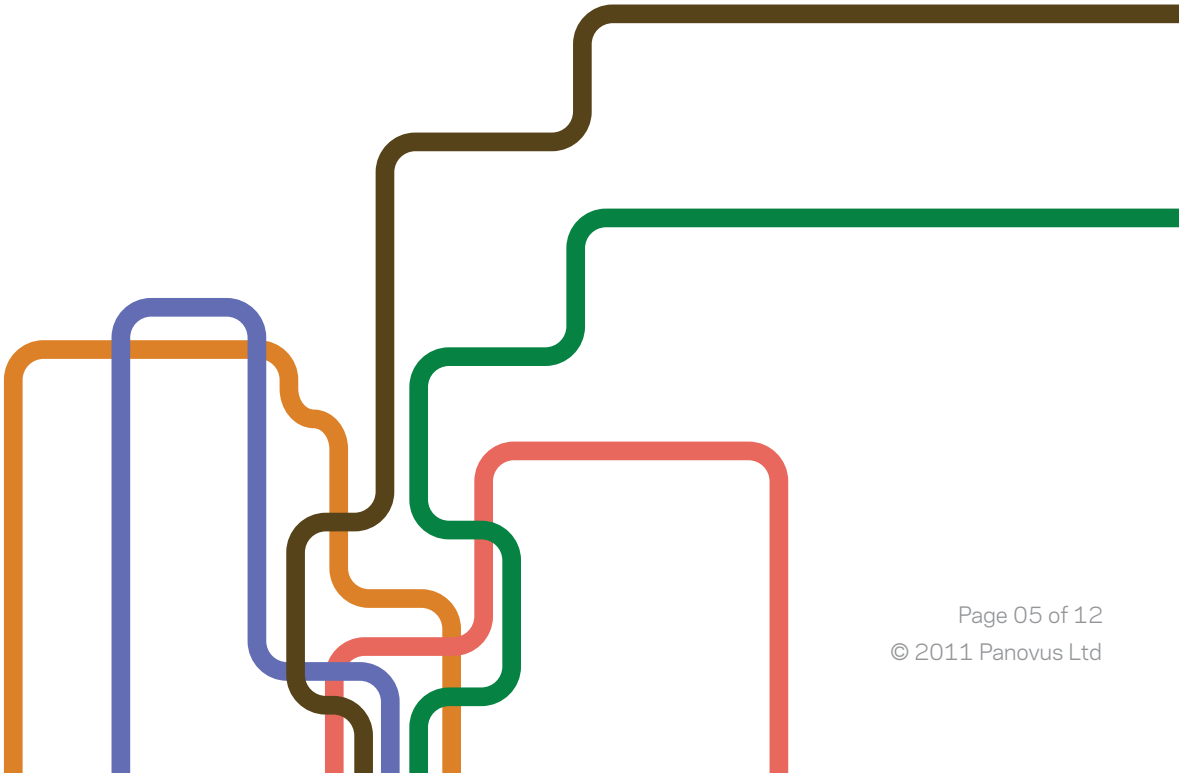
The most effective Lead Nurturing programmes integrate a range of communication tools (including email) and allow dialogue to continue throughout the buying process. They recognise that prospects interact with a brand across multiple touchpoints and, therefore, multiple media. Utilising just one method of communication means there is less scope to provide content based on the prospect's own circumstances. By exploiting a wider range of communication channels, the organisation can enrich the customer experience by interacting with them, delivering appropriate communications and creating competitive advantage.

#5 MISCONCEPTION:
Lead Nurturing is the same as Lead Automation

Automation platforms provide the workflow mechanisms to capture, score and route leads, and to trigger communications. They are a key tool in the execution of Lead Nurturing programmes and allow Marketing and Sales to build more consistent and efficient processes.

But, much like email communication, automation is simply a means to an end. The identification of what it means to be 'sales-ready', agreement between Marketing and Sales about when prospects should be handed over and programme content need to be defined in advance. Then the automation platform can be configured to support that content and process.

An organisation must be able to create its Lead Nurturing strategy, define its messaging and produce its marketing content before implementing a Lead Nurturing programme. Automation is a valuable part of the process but it is the purpose, planning and preparation of Lead Nurturing programmes behind it that determine success.

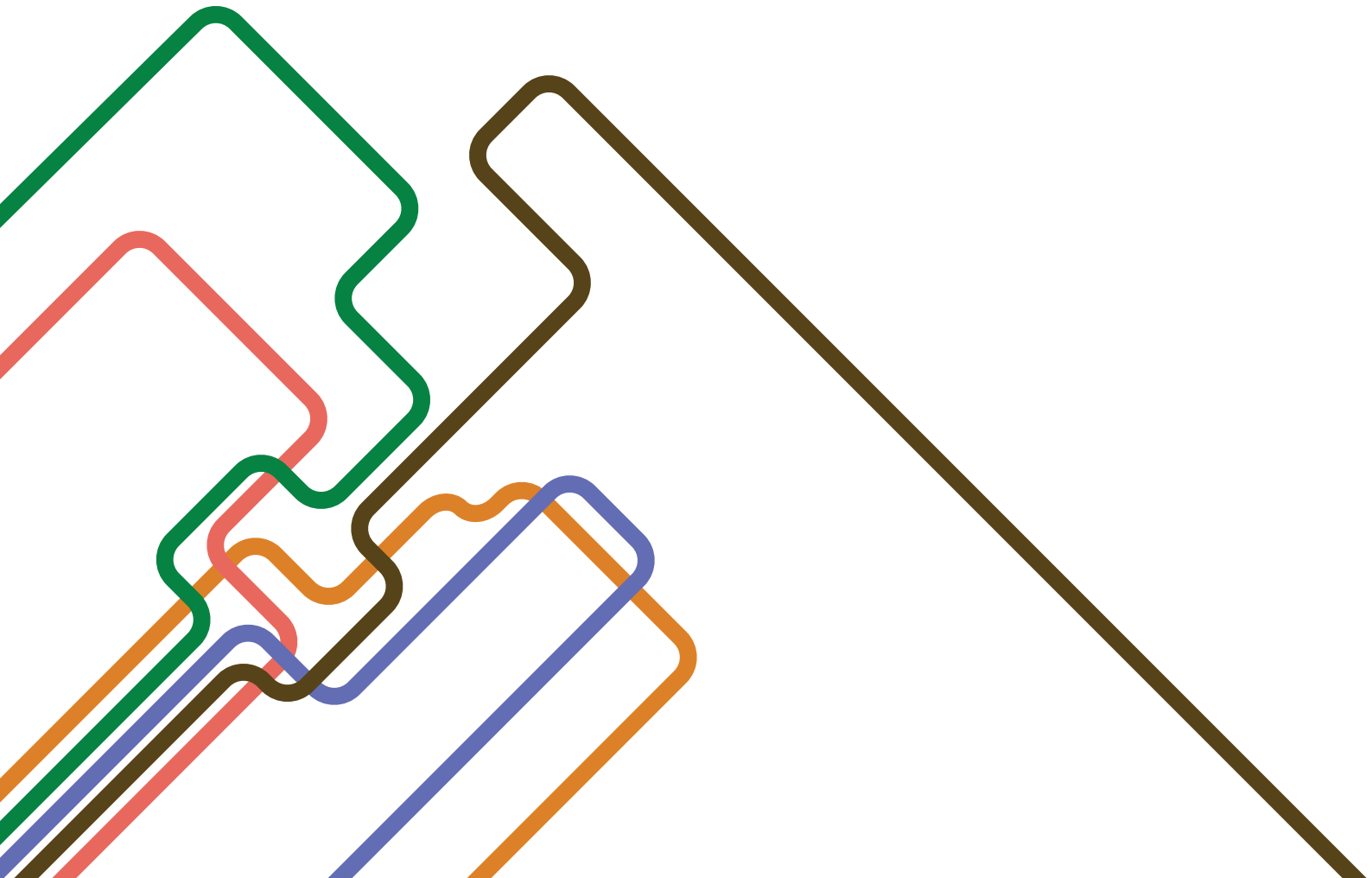


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Best practice in designing and executing a Lead Nurturing strategy

In the previous section, we identified five common misconceptions about Lead Nurturing and how the reality is very different. In particular, successful Lead Nurturing strategies must provide a holistic approach to connect, engage, inspire and influence prospects as they investigate, evaluate and then make purchasing decisions to solve their business needs.

Meeting sales objectives requires a strategic approach to Lead Nurturing that is centred on the prospect, rich in content and flexible in delivery. Here we outline how this can be achieved through the application of Lead Nurturing best practice.

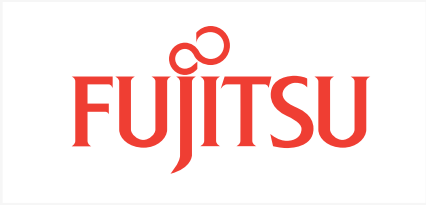


#1 REFLECT THE CUSTOMER JOURNEY

The buying process may be different for each customer so a Lead Nurturing strategy must focus outwards rather than inwards, connecting with each potential customer or group of customers.

A Lead Nurturing strategy should incorporate the complexity of the decision-making process and what point those customers have reached in the buying cycle.

Understanding the key trigger points for customers will outline the most effective ways to influence their decisions and ensure that leads are passed on to sales only at the point at which they are 'sales-ready', not before.



The promotion of global IT firm Fujitsu's Enterprise Infrastructure Solutions typically involved lengthy sales cycles and complex decision-making units. Slipstream designed and delivered a Lead Generation and Lead Nurturing programme, 'Expect More', to identify, qualify and nurture leads across their lifecycle and ensure the successful handover of leads to Fujitsu sales teams.

The preliminary phase involved the detailed profiling of each enterprise account and its individual processes, and engaging in dialogue with key personnel to gain an understanding of IT structures and purchasing cycles.

This enabled a personalised brand experience which generated demand and identified short, medium and long-term opportunities for Fujitsu.

The Lead Nurturing campaign for 'Expect More' resulted in a sales pipeline of over £35 million. It provided Fujitsu with detailed insight into target accounts, their processes and their requirements, better equipping them to influence and sell the 'Expect More' proposition.

#2 COMMUNICATE YOUR PROPOSITION

Having considered the range of potential customers, a Lead Nurturing programme must also promote how the proposition meets those customers' needs. This means applying what is known about the customer and the market.

Understanding how mature the market is, the level of competition, who the competitors are and how to differentiate the proposition will enable Marketing to communicate product attributes in a way that resonates with the target audience.

This is about inspiring prospects during their own decision-making process by ensuring that messages convey the real value of the offer.

#3 SEGMENT AND PERSONALISE

The goal in to any Lead Nurturing strategy is to build intelligence around contact data to enable more personalised communication, thereby enriching their experience of interaction with the proposition and encouraging them through the sales and marketing funnel. A key element in the process is to begin building a relationship and generating a view of communication preferences based on the contact's specific needs and interests.

Importantly, it should recognise the opportunity for segmenting prospects based on their actions at each touchpoint. As the program develops, trends will become evident and these can be used to divide prospects into more detailed profile groups – e.g. industry, vertical, job title, interest. This will enable better, targeted communications to be delivered which in turn will allow more relevant content to be provided.

These steps will help to better engage contacts and deepen their interaction and experience with the brand. Longer term, this approach will provide valuable insights that can be used to inform future marketing campaigns.

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#4 CAPTURE CUSTOMER INSIGHT

Customer insight can be obtained by ensuring prospect interaction is a key feature of the Lead Nurturing strategy. Capturing information about customers across communication channels by 'talking' with prospects will lead to deeper and more valuable customer knowledge.

During these conversations new information will come to light about their buying behaviour: the influencers and decision-makers within their organisation, the perceived risks at different stages of the buying cycle, and the specific objectives of their purchase.

This information is essential in moving prospects from one stage of the buying cycle to the next and for understanding what motivates customers to proceed towards purchase.



IBM sought a continuous flow of new business and to maintain engagement with their prospects across the different stages of their buying cycle. They wanted to use appropriate media and messaging to build relationships with prospects and influence their purchasing decisions towards IBM solutions.

Slipstream runs Lead Nurturing campaigns that establish and maintain a dialogue with prospects to influence their progression towards selection and purchase. This process involves segmenting prospects into one of three categories depending on where they are in their buying cycle. Leads are categorised as 'Learn' (potential client at the initial stages), 'Scope' (interested in conducting research) or 'Select' (comparing and engaging with vendors).

Slipstream targets those in the 'Learn' and 'Scope' categories as they move through the buying cycle, using targeted collateral and promoting IBM's solutions and awareness of the IBM brand. Once opportunities reach the 'Select' stage they are handed over to the IBM sales teams for direct sales engagement.

As well as achieving full visibility of leads across the pipeline, IBM reported a return on investment of over 4,500% during the campaign, achieving around 50% uplift in leads progressing through to the sales stage.

#5 CONSTRUCT RELEVANT COMMUNICATIONS

Lead Nurturing communication channels should be determined by what is already known about customer segments: their profiles, the buying journey they are likely to take, and the detailed information they give you. Therefore, the message and the mode of communication must be made relevant to specific groups of customers. For example, if it is demonstrated that CXO-level executives are unlikely to use social media, then delivering content via Twitter is unlikely to yield results.

Return on investment comes not just from the level of sales generated at the end but also the resources committed to the program at the beginning. Having to revisit communication channels once a Lead Nurturing program begins can be costly.

By using communication channels intelligently and by planning the delivery of messages based on each stage of the prospect's buying cycle, marketers can influence prospect decision-making.

At the earliest possible stage a Lead Nurturing programme will need to establish 'permission' by asking prospects to opt in or out and identify preferences such as the type and frequency of communications. Having already identified content, the program can utilise a range of communications methods that will become increasingly personalised as the understanding of individual prospects or segments deepens over time.

Conclusion

Without doubt, Lead Nurturing is a vital component of the Sales and Marketing activities for successful organizations.

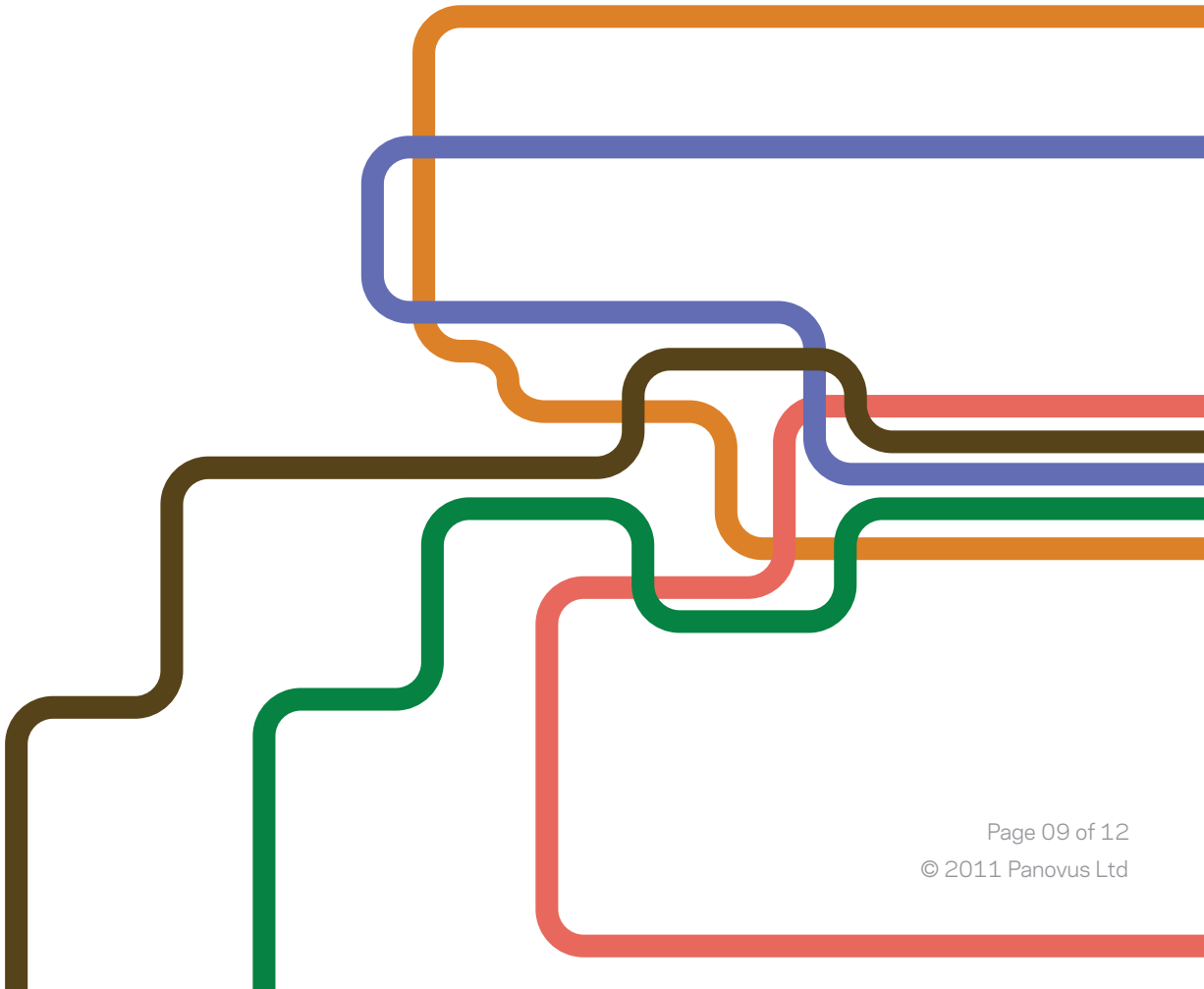
However, it can be easy to fall into the trap of believing a single approach can be applied to all propositions or that simply reacting to responses to marketing campaigns constitutes effective Lead Nurturing. In other cases, marketers may make assumptions about prospects or design Lead Nurturing campaigns that do not have the scope to capture real (and valuable) customer information.

And others can become over-reliant on automated systems which means Lead Nurturing strategy and content is overlooked in favor of the swiftest method of delivery (often using only an email campaign). Each of these misconceptions has a negative effect on long-term lead conversion and sales revenue.

None of these common misconceptions are completely invalid – it is necessary to be able to react to new prospect insight and automation can be utilized to great effect – but these activities must become integrated elements of a Lead Nurturing strategy. Therefore marketing must review its Lead Nurturing activities to identify immediate areas for improvement, taking the strategic approach that focuses on the prospect.

If you would like to talk about how Slipstream Global can help your organisation drive performance through Lead Nurturing, please contact us at:

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Lead Nurturing is a maturing discipline, and organisations need to benchmark their current lead generation and nurturing activities, and ensure a strategic approach to creating genuine engagement with prospective customers.



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