New Industry Review

Demonstrating value, from the **top** of the funnel to the **bottom** line

Five key strategies that every B2B marketer should prioritise

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Marketers have been hard hit in recent years, facing enormous challenges and the need to do more with less. B2B marketing has changed and continues to change with marketing departments being asked to play a major role in leading their organisations through this period of uncertainty.

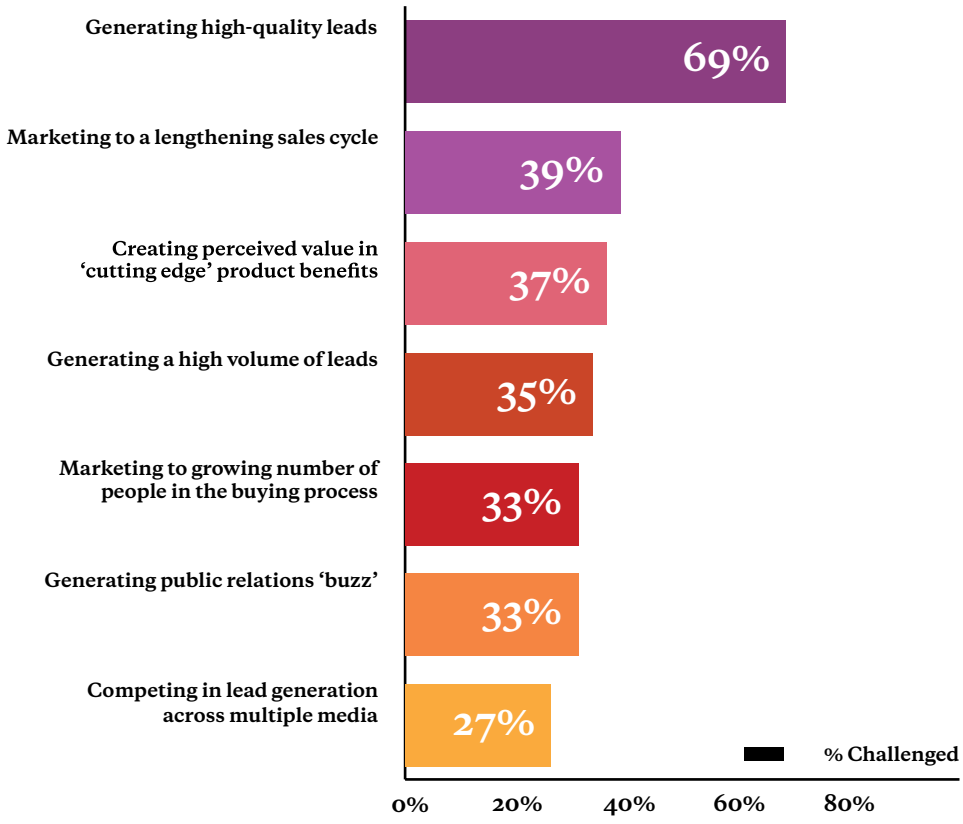
Many of the challenges facing marketers today are similar to those faced in the past: generating a stream of solid leads for the sales force, improving competitiveness and creating compelling value propositions. Each of these highlights the importance of close targeting and relationship-building.

How marketers respond in the current environment is the real challenge. Recent research by Marketing Sherpa shows that for the majority (69%) of B2B marketers, their number one priority is high-quality lead generation.

Put into context, marketers must now operate in a new era of customer engagement, in which they no longer dictate the flow of information and content. In addition, recent developments in the economy and the rapid uptake of digital media and technologies mean that organisations are under increasing pressure to do things in a smarter, more efficient and cost-effective way.

Given these trends, what is it that B2B marketers should be doing to ensure that they derive the highest possible value? This paper provides an overview of five key areas that B2B marketers should focus on over the next 12 months and beyond. It discusses the main issues and considerations, as well as providing actionable insight to assist you with your marketing efforts.

What are the priorities for B2B marketers?



MarketingSherpa © 2009

Source: MarketingSherpa B2B Marketing Benchmark Survey 2009
Methodology Fielded April 15-20, 2009. N=1, 147

Five key strategies that every B2B marketer should prioritise:

1.

Develop an effective Content Marketing programme

2.

Adopt an integrated approach for the Digital Age

3.

Align Sales and Marketing through Lead Scoring

4.

Take a holistic, end-to-end approach to Lead Nurturing

5.

Align Automation with processes and content



1. Develop an effective Content Marketing programme

In recent years we have seen a fundamental shift in the dynamics of buyer-vendor interaction. Whether we like it or not, we have moved towards a buyer-oriented, anticipatory and dialogue-based mindset.

With web-based search and digital interactive media, buyers now choose when to engage, not the other way around. Power has shifted from vendors to buyers, with purchasing decisions incorporating more peer input than ever and three-quarters of all buyers leveraging social media as part of the purchasing process.

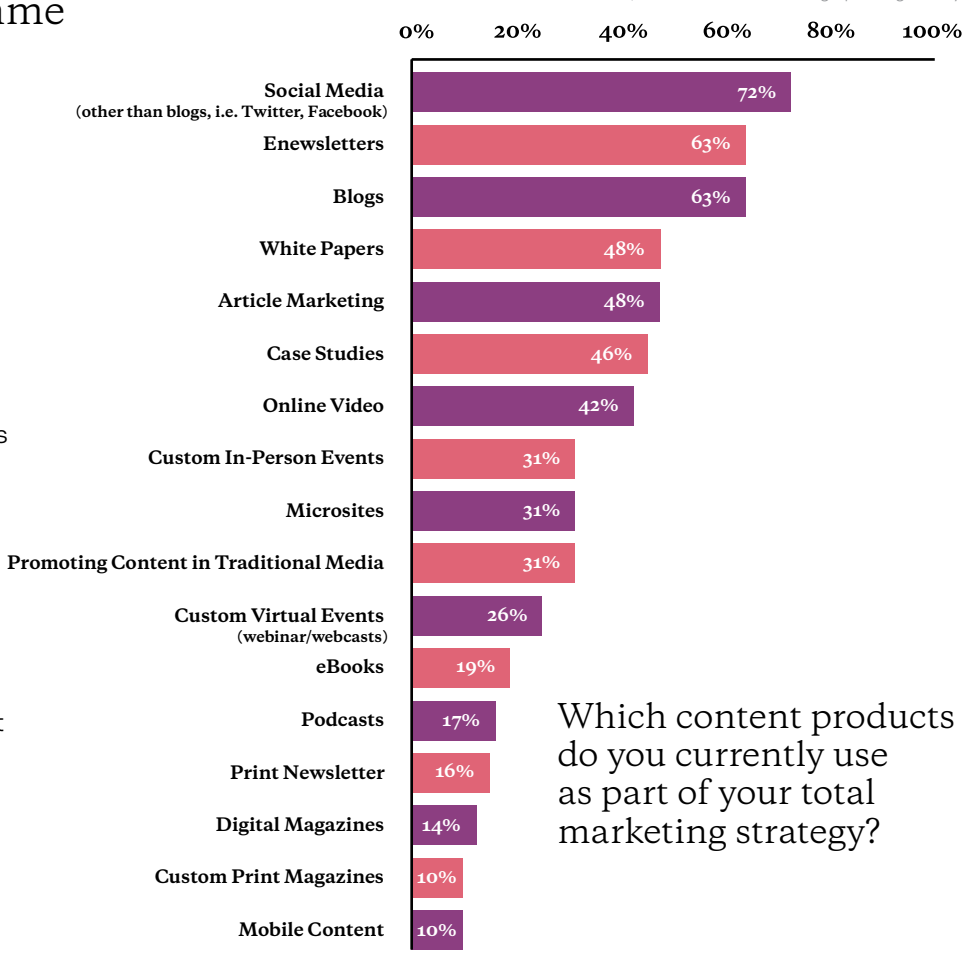
It is increasingly important for marketers to look at the way they 'rationalise' content. We now need to start asking the question, what content should exist in a given medium at a given time, based on the dialogue we should be having with a buyer?

According to Junta42, for the third straight year, B2B marketers are planning to spend significantly more on their content marketing efforts this year, with approximately six in 10 planning to increase their spending on content initiatives[1].

The Information Technology Services Marketing Association (ITSMA) has identified that, although traditional content such as white papers and case studies continue to be mainstays of the marketing portfolio of many organizations, nearly three-quarters are leveraging content through social media and the majority are tapping into blogs and e-newsletters.

As the need for good content grows, at the core of any organization must be an integrated "content engine" that consistently produces compelling content for every stage of the buying cycle. This includes thought leadership to help build reputation and interest, educational content to assist lead generation, case studies to support Sales, and social media content to develop ongoing connections and increase brand awareness.

Source: Junta42, 2010 Content Marketing Spending Survey



Which content products do you currently use as part of your total marketing strategy?

[1] Junta42, *2010 Content Marketing Spending Survey*
[2] Information Technology Services Marketing Association, How Customers Choose Solution Providers 2009: *The Importance of Personalisation, Epiphanies, and Social Media*

At the very least, a content marketing strategy should cover the following steps:

1) **Understand the audience** – develop buyer personas and understand what it is they want and need to know.

2) **Map content to the buying cycle** – for each stage of the buying process, what is it that buyers are concerned about and what are they trying to achieve?

3) **Commit to creating valuable, relevant content** – ensure that you convey your buyers' needs and how your organisation can address them through your content; what will make your content worth sharing?

4) **Extract maximum value** – for every piece of content, think about how to use it across a range of media.

5) **Make your content easy to find and share** – think about your audience and disseminate your content according to the channels that they use.

6) **Measure the impact** – create a website landing page for each piece of content to measure impact and incorporate content in the overall goals of the organisation.

2. Adopt an integrated approach for the Digital Age

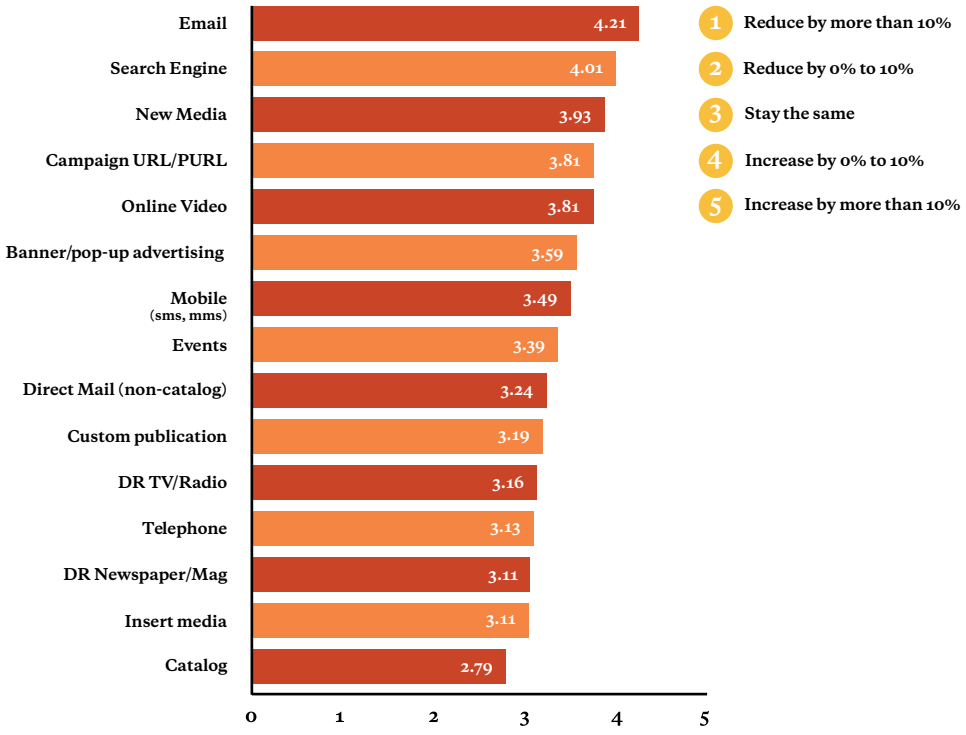
Integrated marketing communication requires the right blend of channels and media - whether digital, such as email, banner advertising, social media, and virtual events, or more traditional methods like telemarketing, direct mail or printed literature. Whatever the combination, marketers need to ensure a consistent and engaging experience throughout the process, making sure that each brand touch point attracts the right people at the right time in their buying cycle.

However, integration is not just about making the brand experience consistent across all of the available media channels. It is about understanding what works and meeting the commercial objectives for your campaign:

- **Who** do you want to engage with?
- **What** do you want from them?
- **How** will you engage them?
- **Where** and **when** will this take place?
- **Why** should they listen to you?

Mean expected change in media use over next 3 years

Source: Direct Marketing Association, The Integrated Marketing Media Mix: Benchmarks and Trends for Successful Campaigns, 2009



Research conducted by Marketing Week and New Media Age in June 2010 shows that when marketing teams embrace integrated marketing more holistically they start to see an increase in awareness, tangible results and, importantly, return on investment. Of those already using integrated marketing strategies, half said their campaigns generated significant cost efficiencies, with 11 per cent saving more time and money than expected.

The largest barriers to adopting this approach were found to be a lack of understanding, little strategic consistency across disciplines and the existence of separate departmental marketing functions.

According to a recent study published by the Direct Marketing Association, traditional media, including direct mail, telephone and events, remain vital to the success of integrated campaigns alongside new digital media channels used by marketers.

In an era of increased accountability, B2B marketers are under pressure to deliver measurable results and clearly demonstrate the value they provide. To succeed they need to consistently reach the right people through the right channels with the right message. Instead of putting all their eggs in one basket, marketers adopting an integrated approach to campaigns can call on a wide range of media to suit the relationship with the buyer, making it more targeted and more effective.

[3] Direct Marketing Association, *The Integrated Marketing Media Mix: Benchmarks and Trends for Successful Campaigns, 2009*

3. Align Sales and Marketing through Lead Scoring

Marketing departments are called upon to determine which leads should be sent immediately to Sales, which should be passed to the telemarketing team for qualification and which should be allocated to the Lead Nurturing programme (see #4).

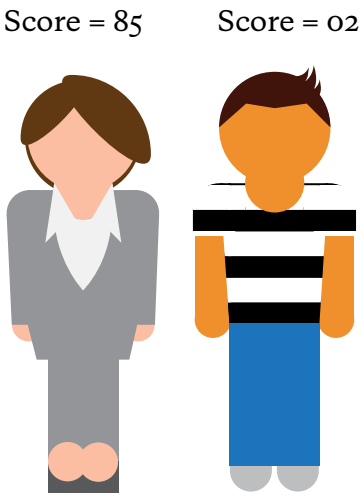
This is the perennial challenge of Quality vs. Quantity. When business is increasingly difficult to come by, potentially good leads are being squandered. In many cases, it is because leads have been passed on to Sales too early.

For this reason, organisations are turning to 'lead scoring' as a way of optimising their lead management. It is a process by which Sales and Marketing can distinguish leads that are 'sales-ready' versus those that should be further nurtured. It enables Marketing to assign a value to a type of prospect, their behaviour, activity and level of interest in the product or service. The higher the score, the further along the lead is in the buying process and, therefore, the greater the attention it requires.

Lead scoring is not a process that can be delivered by Marketing alone. It relies on input from Sales as to what constitutes a 'qualified' lead at the beginning of the process. Sales people bring experience through engagement and Marketing can help formalise this by jointly creating a 'Universal Lead Definition', typically involving:

- Analysing common characteristics among your best customers
- Identifying the criteria that are the best predictors of high-quality leads
- Producing a first draft of your Universal Lead Definition
- Tagging all leads in a CRM system that match the lead definition
- Refine the definition following a review by Sales and Marketing
- Communicate the definition to each member of the Sales and Marketing teams

The most accurate scoring models are based on two types of information: user-supplied data (explicit) and user-tracked behaviour (implicit). Explicit scores are based on information provided by or about the prospect, such as company size, job title, industry vertical or geographic location. Implicit scores are derived from monitoring a prospect's behaviour. This would include white paper downloads or e-mail opens and click-thrus. Combined together, explicit and implicit factors create a much more complete picture of a prospect.



Each time a factor changes in this equation so does the score. Therefore, it is necessary to ensure that a re-scoring process is automatically triggered with each action, no matter how small. To do this automatically saves time and money and organisations have begun to invest in new demand generation and lead management platforms. Once the lead criteria have been defined, the software can provide insight into the quality of each lead, where they stand in the purchasing process and can automatically trigger lead-nurturing communications, helping to drive the lead further down the sales funnel.

Lead scoring can help close the gap between Marketing and Sales, improving the flow of better-qualified leads and allowing Marketing to monitor results and track successes.

4. Take a holistic, end-to-end approach to Lead Nurturing

Research shows that longer-term leads, often overlooked by Sales, represent the majority of an organisation's potential future revenue. When Sales teams focus on the immediate opportunities, the remainder of those leads are left for competitors to try to win.

For this reason many successful organizations have rolled out 'lead nurturing' programmes as an effective way to keep prospects 'warm' until they are ready to buy. Put simply, lead nurturing is a relationship-building, multi-media approach which supports the prospect in the buying cycle and engages them in an ongoing dialogue until they are 'sales-ready'. This strategy involves continually reaching out to prospects with relevant, high-value content, often using sophisticated automated marketing software alongside a CRM database.

The benefits of lead nurturing are clear. With an effective programme in place, organisations are more likely to improve relationships, maintain front-of-mind awareness, limit the loss of potential customers and accelerate sales conversions.

Lead nurturing is by no means new but organisations still rush in to it without getting the fundamentals right; namely focusing on the people, processes and content. A recent study by Forrester concluded that lead nurturing is "the most immature part of demand management today", with respondents claiming mixed results.

The three main challenges were:

1) Focusing on the technology and not the outcome

2) Starting without proper procedures or investment

3) Lack of clarity around how to get started

Experience shows that the emphasis should be placed on lead management and the content creation process, with organisations taking a more holistic, end-to-end approach:

1) **Align lead nurturing with the lead management process** - establish the Universal Lead Definition (see #3) and the process for Sales to hand back non-sales-ready leads to Marketing.

2) **Determine the objectives and goals of the programme** - agree the target number of sales-accepted leads and contribution to revenue.

3) **Profile core audiences** - find ways in which to segment your audience and then develop personas for each segment by identifying their information needs (for example, questions they usually have, typical issues, preferred marketing channels etc).

4) **Develop key messages** - determine how individual segments will be targeted at specific stages of the buying cycle.

5) **Map content** - map audience information needs against the purchase process to determine what content will be required and when; match existing content against this map and look for any gaps that need to be filled.

6) **Execute the campaign** - design campaign components to distribute content and use these to take buyers on the right journey.

7) **Continue to measure and evaluate** - combine the information from your CRM and marketing automation systems to measure the results against objectives. Regularly review to identify any refinements that can be made.

Lead nurturing is about having a consistent and meaningful dialogue with viable prospects, regardless of where they are in the buying process. It will not deliver immediate results and, in many cases, it could be six to 12 months before the first qualified leads start to emerge. However, a well-executed lead nurturing programme will deliver a steady stream of qualified leads once the programme is established, relieving the pressure on Marketing and Sales into the future.

Lead Nurturing in Action: Slipstream for IBM

Slipstream used its experience of delivering lead nurturing programmes to help IBM grow sales in its EBF (Enabling Business Flexibility) division. By using the 'Learn Scope Select' methodology, Slipstream generated a full view of leads across the pipeline, reporting a 4500% return on investment for the programme and generating a 50% uplift in leads progressing to the sales stage.

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

5. Align Automation with processes and content

With pressure to generate greater efficiencies, Marketing and Sales can now automate a range of activities. Alongside a suitable CRM system, new solutions are helping to automate tasks like campaign management, lead management, web analytics and sales forecast analysis among others.

Marketing automation platforms are increasingly being used to execute key marketing functions such as lead scoring, customer segmentation, campaign management and email marketing at the same time as tracking, measuring and reporting via a single dashboard display. And, with industry estimates from Forrester suggesting only 5 per cent of firms are currently using this technology, early adopters are reaping the rewards of greater efficiency as well as stealing a march on their competitors.

It would be unwise, however, to conclude that automation is a silver bullet for every organisational lead generation challenge. In response to the change in buyer behavior, marketers must work harder than ever to focus their activities. This means getting the right content to the right people at the right time. Automated marketing can play a central role in this but it must be part of a strategic undertaking to derive the most value:

1) **Begin with the process** - make sure you have the necessary internal processes to support what you are trying to accomplish through automation.

2) **Align Sales and Marketing** - agree what constitutes a qualified lead via a Universal Lead Definition (see #3). This will improve the effectiveness of your lead generation, nurturing and scoring.

3) **Involve other departments** - ensure that senior management can see the value being generated and are on-board. Most platforms generate in-depth reports and dashboards that succinctly demonstrate impact on the business.

4) **Content, content, content** - content must be the driving force. Consider developing an integrated content engine that consistently produces compelling material for each stage of the buying cycle.

5) **Start small** - prioritise what you need to automate first to understand how it can work before undertaking full-scale automated marketing projects.

6) **Test, Measure, Refine** - start with easier, high-impact areas such as e-newsletters and basic lead scoring. Most platforms offer multi-variance testing so ensure you test variations of content and delivery methods.

There is no disputing the efficiencies gained by utilising marketing automation software to implement key marketing functions and measure key performance indicators. However, this must be part of a wider solution in order to be effective. Automation must work alongside strong processes and solid content generation in order to have any real impact in the bottom line.

Conclusions

B2B marketing has changed fundamentally in recent years. A radical transformation in buyer behaviour means marketers must respond in the most relevant and effective ways to continue to connect, engage, influence and inspire customers and prospects.

By bridging the gap between Sales and Marketing, leads can be maintained over a longer period via campaigns in which content is targeted and techniques are integrated for maximum effect. Effectively differentiating your offering and communicating your value propositions whilst taking advantage of new tools will result in better marketing communications.

Although there is no such thing as a crystal ball when it comes to B2B marketing, applying the lessons highlighted in this paper will go a long way to improving the quantity, quality and flow of leads from the top of the sales funnel to the bottom line.



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