Effective stages of Demand Generation

PART 3: THE RULES OF ENGAGEMENT



mardevdm2

your global marketing partner

Contents

Introduction 3

The rules of engagement:
the key to demand generation success 4

The role of digital media 5

Lead nurturing and scoring 6

Summary 8

About mardevdm2 9



Introduction

Part 1 of this series began by explaining what demand generation actually is and introduced the concepts of buyer behaviour and profiling buyers, whilst the second part discussed the importance and significance of the sales and marketing relationship. This - the third and final part - will take a closer look at the various levels of engagement within the buying cycle, the impact of digital media and how targeted nurturing programmes can accelerate prospects through to purchase.



The rules of engagement - key to demand generation success

"A satisfied customer is the best business strategy of all. "

Michael LeBoeuf
Business author

Research by former sales trainer Robert Jolles for his book, *Customer Centred Selling*, indicates that "B2B buyers spend 79% of their time in the earliest portion of the buying process". In other words, they are aware that they have a need, but may not have started searching for a solution. In addition to knowing where a customer is in the buying cycle, you will need to understand the information they are looking for and how they want you to communicate with them. These are key factors when considering your engagement strategies (see the table below). By mapping this information with relevant content, you can engage with the customer early on and on their terms.

Stage within the buying cycle	Method of engagement
Awareness	Newsletters; webpage; banner advertising; organic search; pay-per-click
Intent	Rich media; partner mailings; inserts; response cards; whitepapers; social media
Shortlist	Webcasts; referrals; quotations; social media
Purchase	E-commerce; direct action; social media

The role of digital media

"Our business is about technology, yes. But it's also about operations and customer relationships."

Michael Dell
Founder Dell Inc

More traditional methods of engagement, such as events and direct mail, still have their place but customers are no longer willing to wait until information is pushed to them. To that end, they often prefer to use digital channels to search for relevant information at their own convenience. From the marketer's perspective digital options, such as webinars, email newsletters and whitepapers, provide excellent opportunities to not only engage, but also to collect valuable insight and demographic information from prospective buyers.

Digital channels, and most notably social media, are playing an increasingly important role within demand generation programmes. In fact, there is evidence to suggest that social media can pay serious dividends when integrated as part of a company's promotional activity.

Sirius Decisions* recently published their own findings on engagement via social media. They found that whilst social media can be highly beneficial on the one hand, if not managed well it could also be unproductive. Here are some of the key points:

- **Nearly 80% of B2B organisations** are only applying social marketing at the top of the funnel
- B2B organisations that integrate social media into their demand generation programmes report a **32% increase** in campaign responses
- B2B organisations that use social media throughout the demand creation waterfall report up to a **40% increase** in closed deals
- B2B organisations are **losing up to 30%** of an individual's productivity when multiple staff are using social media in an uncoordinated way, to say nothing of the mixed marketing messages and dilution of brand that occurs
- Only **21% of B2B organizations** are using social media throughout the nurturing phases of longer sales cycles

What does this mean?

First, if you want to use social media, you will need a strategy. What is the purpose? Who should manage it? How will it be used for customers at different stages of the buying cycle? How will it fit with other promotional activity and how are customers expected to respond? How could getting it wrong affect your brand? Second, companies that use social media and have seen increases in responses and closed deals, recognise that it is probably most effective when used *in conjunction with* other communication channels.

*Sirius Decisions, a research and advisory service

Lead nurturing and scoring

"There are only two kinds of people who are really fascinating; people who know absolutely everything, and people who know absolutely nothing."

Oscar Wilde
Poet and author

The concept "*people buy people*" is one that many sales people will agree with, especially as customers tend not to buy from people or companies they do not like. Effective sales people get under the skin of their customers' businesses. They do this by building relationships; understanding their respective markets, their needs, their competitors, what their objectives are and how they intend to meet them. Marketing tend not to have one-to-one relationships with customers, but the importance of carefully crafted nurturing programmes should not be ignored. Your engagement strategy should not only convince customers that your products should be on their short-lists, but also help to move them towards a sale.

Each interaction and subsequent response should then be scored. By doing this, you will be able to gauge whether a customer should move to the next stage of the nurturing programme. In addition, you will determine how little / much marketing resource should be allocated to each customer, relative to their "value" to the business. An example of lead scoring could be based on profile fit and level of engagement:

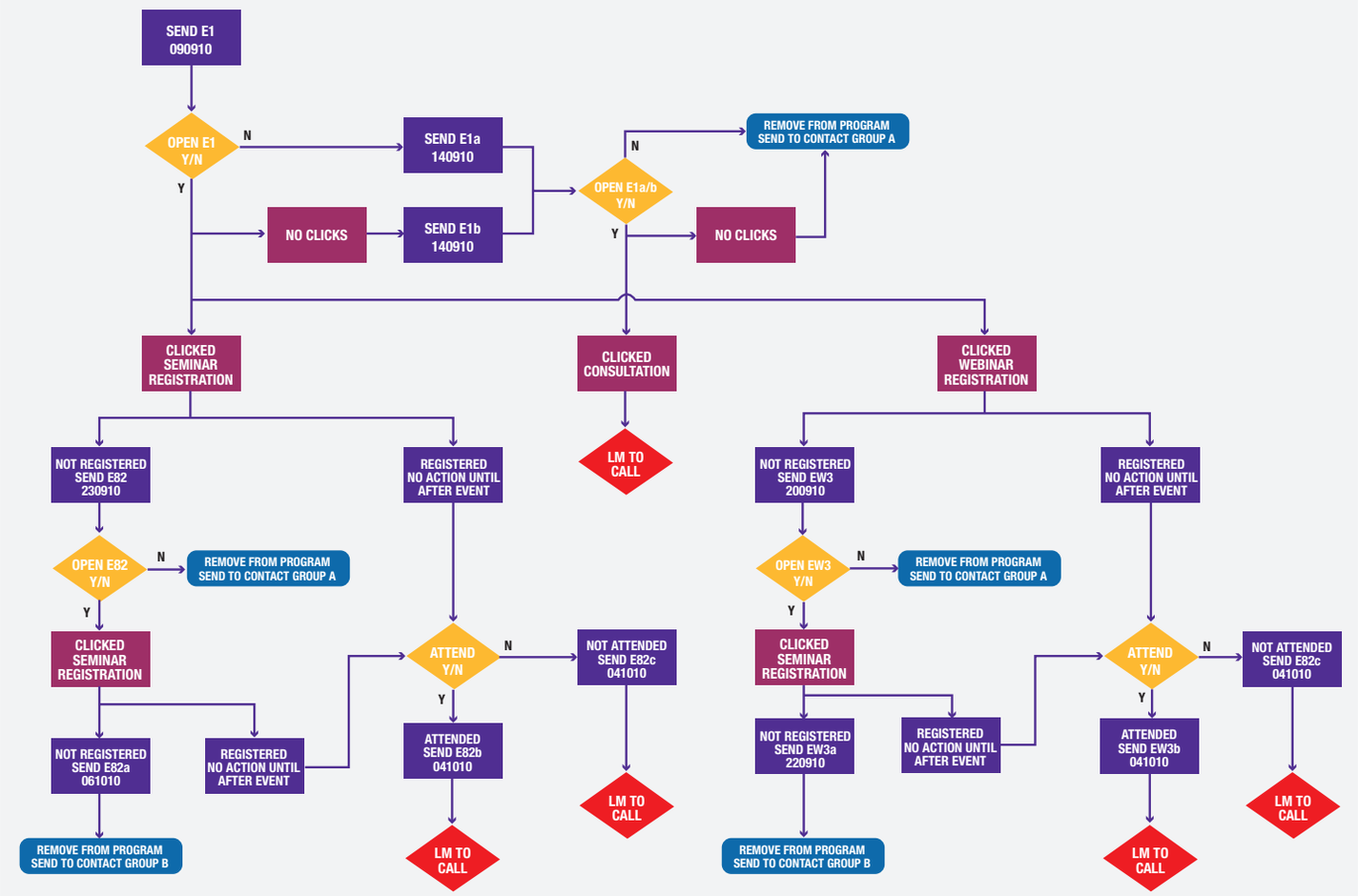
Customer profile fit	Level of engagement
A = Target fit (BANT qualified)	1 = Showing buyer interest
B = Potential fit (Nurture)	2 = Showing some interest
C = Not high enough right now	3 = Not enough information
D = Not a fit at all	4 = Inactive

In this example, the customer profile fit is matched with the level of engagement, which in turn determines the appropriate level of marketing activity. By monitoring levels of activity, the scoring programme can be adapted accordingly. For example, some customers could be fast-tracked if they exhibit an above average level of activity in a short period of time.



Lead nurturing and scoring

An example of a lead nurturing/scoring programme



An important point to note is that the nurturing process should not end when prospects become paying customers. There still has to be three-way communication between marketing, sales and the customer to ensure that they remain just that – your customer!

Summary

"We should really love each other in peace and harmony, instead we're fussin' n fighting like we ain't supposed to be."

Bob Marley
Singer/songwriter

So, what will ultimately lead to effective demand generation? Here are the key takeaways from the three Effective Stages of Demand Generation instalments:

Have a strategy - given how important demand generation will be to your business, it is vital that time is taken to plan how you intend to get your customers' attention, engage them at each stage of the buying cycle and persuade them to buy from you.

- Understand the buyer and the buyer behaviour - what they need, how they will go about finding a solution and how can you help.
- The relationship between marketing and sales is vitally important - defining the roles for each function and establishing the most productive ways to work together. Disharmony, poor communication or failure to work towards the same goals will impact on potential revenues.
- Nurturing the relationship between you and your customer - a role which marketing must drive, ensuring customers are both educated and engaged throughout the nurturing programme.
- Understanding the importance of interaction - sales and marketing pulling the right levers at each stage of the nurturing programme to convert interest into actual revenue.
- Test, test and test again - inevitably, some activities will be more successful than others, so the key is to not be complacent. Given that customers will respond differently to different things, creating vanilla campaigns seldom work.

Whilst revenue is an obvious outcome from a successful demand generation programme, there are other benefits too. The enduring relationship with the customer, maximising return on investment, senior management recognising marketing's value to the business, a fruitful relationship between sales and marketing and the awareness created for your company / brand throughout the whole process. Moreover, digital media has established a wide variety of inexpensive, yet effective channels through which to communicate.

Sources:

Robert Jolles: Customer Centred Selling

mardevdm2: What customers want webinar - Understanding the sales and marketing process

Sirius Decisions: Driving sales and marketing alignment – B2B social media by the numbers

About mardevdm2

"Insight into human nature is the key to the communicator's skill."

William Bernbach
Founder Doyle Dane

Mardevdm2® (mardevdm2.com) is the global marketing data and services division of Reed Business Information, one of the world's leading providers of business information and services. With offices in London, Chicago, New York, Singapore and Sydney, mardevdm2 provides unmatched global data and insight, demand generation and lead nurturing programmes, as well as custom marketing campaigns that help B2B marketers effectively engage with their target audience.

Contact us

mardevdm2 London
The Quadrant, Quadrant House
Sutton, Surrey, SM2 5AS UK
+44 (0) 20 8652 4525
enquiries@mardevdm2.com

mardevdm2 Chicago
2000 Clearwater Dr.
Oak Brook, IL 60523 USA
+1 800 323 4958
info@mardevdm2.com

mardevdm2 New York
360 Park Avenue South
New York, NY10010-1710 US
+1 800 545 8517
sales@mardevdm2.com

mardevdm2 Australia
Tower 2
475 Victoria Avenue
Chatswood, NSW 2067 Australia
+612 9422 2644
mardevlists@mardevdm2.com

mardevdm2 Singapore
The Signature,
51 Changi Business Park
Central 2, #07-01
Singapore 486066
+65 6780 4842
infoasia@mardevdm2.com