How to Increase Sales Effectiveness With Marketing Automation

Sales Leaders Success Kit

Executive Summary

While 2010 data shows fewer than 10% of B2B companies have made marketing automation (MA) part of their demand generation programs, research from Sirius Decisions shows adoption will reach over 50% in the next four years. It's the right thing to do, as studies from researchers such as *AberdeenGroup* clearly demonstrate that a formalized lead lifecycle program built around a marketing automation is a differentiator between best-in-class sales organizations and everyone else.

Many companies begin the marketing automation process by selecting the platform itself. That effort alone can be a time-consuming process, as there are more than 110 MA vendors to choose from and a wide range of features and options available. Actually, the more difficult part of implementing an automated lead lifecycle management program is determining what changes need to be made to existing processes and resources to get the most benefit from the MA solution.

This 3FORWARD Success Kit is for those companies ready to get started with marketing automation achieve a successful implementation. We cover three topics, each focused on a different part of the process, to help companies set realistic expectations and adequately plan for post-launch management of their program.

1. Separates the myths from the realities that we have seen as we have helped companies select and launch their marketing automation projects.
2. Profiles four common starting points for companies first considering marketing automation and considers the unique challenges each of those situations presents.
3. Provides a proven, customizable implementation process and talks about on-going program management recommendations.

Realize before you start down this path that it is a different way of thinking about your lead creation process. It will require both marketing and sales to function differently from before and it will take time to get it right. However, the bottom line is marketing automation programs can significantly increase the quality and quantity of qualified leads for your sales teams – so these changes and effort are well worth the investment.

We hope you enjoy this Success Kit and that it helps you make a successful transition to marketing automation and lead lifecycle management. If you find it helpful please share it with your peers and colleague around your own social networks and groups.

Best regards,

Dan Hudson and Matt Smith
3FORWARD

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[1] Optimizing the Marketing-to-Sales Lead Lifecycle, AberdeenGroup, April 2011

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Section One

Myths and Realities of Marketing Automation

Myth One: Marketing automation is inexpensive to implement and manage

All in, these programs can run between 50% to 100% of the cost of one sales representative making quota.

Truth: The actual marketing automation software can be very reasonably priced. Platform costs range from $500 to $750 per month for some products to several thousand dollars a month for others. Pricing levels can be based on features and capabilities, the size of the prospect database being messaged to or the number of messages sent per measured period, so make sure your evaluations are based on many potential usage levels and volumes.

The reality of these programs is there are many areas to budget for beyond the software. Here's our quick summary of program expense categories you need to anticipate. Recognize that a well running content marketing program has costs, both hard and soft, that companies need to expect. We have also found that you get what you pay for, meaning you need to expect a certain minimum investment will be necessary to achieve the desired results of the program. (Rule of Thumb: All in, these programs can run between 50% to 100% of the cost of one sales representative making quota).

Marketing Automation Program Cost Categories

1. The cost of your marketing automation platform itself including software licensing, acquiring lists, and modifying your website to support the new platform.
2. The labor cost of administering the program, including creating the campaigns, writing messages and landing pages, mining the data, maintaining the databases and analyzing results.
3. Engaging and managing the accompanying social media programs. After all, social media is a big part of what makes these programs "in-bound". Getting your links, content and messages into all the relevant social media takes time and resources. Those resources are either on your payroll or you will need to outsource the responsibility.
4. The next cost category is the content. Most companies rely heavily on a blog as part of their marketing automation initiative. It is a best practice to blog several times a week, if not every day. Also consider writing white papers, how-to articles, hosting webcasts, creating videos and publishing eBooks. Many companies have members of their executive team (CEO included) writing posts and also recruit other leaders and subject experts around the organization to regularly write blog posts and other content.

   The more and the better your content, the more successful your marketing automation program will be. Think about dedicating an individual as content director if you are a bigger company, and at least assigning the responsibilities to a singe point of accountability if you are smaller. Either way, there is a cost to creating, curating, editing, publishing and indexing your content. As we have said before, content is the fuel for marketing automation.
5. Finally, implementation of MA solutions will also require some changes to your selling and marketing processes. It's critical that this process re-design be thought-through before attempting to implement the MA solution. This will require the time of senior sales and marketing leadership to be sure the necessary levels of commitment are demonstrated.

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Myth Two: Marketing automation is easily done with existing resources

Truth: While implementing marketing automation while trying to run your day-to-day business can be done, it will be challenging for marketing teams tight on resources. Depending on your individual situation it may be better to have assistance in the form of a short-term engagement with firms that specialize in MA implementations. We cover the implementation process and on-going program management tasks in Section Three to help you plan for the work ahead. Reviewing this before you start your project can help you determine any kind of skills or resource gaps you may need to fill.

Be mindful that you will likely be making significant changes in your sales processes to realign your new lead marketing efforts with the prospect's buying processes. Your sales organization will also have the added responsibility to respond to new leads as soon as they become qualified. Outside firms with previous experience can help companies plan and implement these changes based on proven processes and approaches. This experience and the templates they can bring can significantly shorten implementation timelines and increase the probabilities of earlier successes.

When well executed, your MA platform will be providing the qualified leads needed to fill the sales funnel. Instead of very low probability cold calling, reps can focus on qualification and proving value.

Of course, there are productivity gains you can expect from marketing automation as well. Once your MA implementation is complete it should free up staff time by automating messaging activities that were once done manually. Another significant productivity improvement occurs with your sales team. No longer should your most costly resource need to spend time cold calling unqualified leads. When well executed, your MA platform will be providing the qualified leads needed to fill the sales funnel. Instead of time consuming and very low probability cold calling, reps can now focus their time on further qualification and proving your company's value to help close more deals.

Myth Three: Marketing automation requires experts to run it successfully

Truth: For companies that have no experience in it, selecting and implementing the right MA solution can be a challenge and very time consuming, but it is a skill your existing marketing team should be able to learn. We recommend separating the process into these four stages and deciding where you have available expertise and where you may need help.

1. Program goals and strategy
2. Platform evaluation and selection
3. Implementation and design
4. On-going management

The decision you must make is do you want to manage the process internally or outsource all or parts of it? Using an outside resource to select and implement an MA solution greatly reduces the learning curve by leveraging known best practices on lead scoring, nurturing, and drip marketing. Once selected, all of the top MA providers can provide help in implementing their solution, some also offer on-going management of the program as an outsourced managed service.

Alternatively, keeping everything in-house provides maximum control of the project and allows internal staff to build up their skills in a new discipline. Again, consider both approaches and ultimately chose what maximizes your ROI and best meets your timelines and lead creation objectives.

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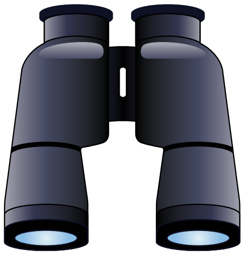

Section Two

Common Challenges for Companies Considering Marketing Automation

Establishing a *successful* marketing automation program is neither fast nor easy. Done correctly, it takes time to plan and prepare for the implementation, put the structure in place, and finally begin executing. Post-launch, the learning curve for managing the program requires coordinating scoring, campaigns, metrics and reporting.

Sustaining a marketing automation program is often complicated by the availability of good original content, competing priorities or internal politics. Consider picking up these two excellent resources on the role of content in today's B2B buying process and marketing automation programs. Content Rules, co-authored by Ann Handley and C.C. Chapman and part of the New Rules of Social Media series. Also check out eMarketing Strategies for the Complex Sale by Ardath Albee.

> ***Sustaining a marketing automation program is often complicated by the availability of good original content, competing priorities or internal politics.***

Across 3FORWARD's engagements we see companies face a variety of challenges when integrating marketing automation into their demand generation programs. Some quickly adjust whereas others lose traction, costing them valuable time and momentum. Because we learn from observing struggles as well as achievements, it's valuable to observe where organizations stumble and considering the approaches that will get them back on track.

Challenge I – Head In the Marketing Automation Sand

Current Situation

The company is skeptical about Marketing Automation and why it is needed. There is still heavy reliance on traditional marketing and a belief that the sales department should create leads. Marketing primarily works on branding, brochures and identity. Sales cannot rely on help from marketing for the pipeline.

Biggest Roadblock

In this situation, two things are holding the company back: (1) a lack of awareness about marketing automation and how it has changed marketing best practices; (2) the recognition that traditional sales and marketing roles have changed as these new tools have demonstrated new best-practices.

Getting On Track

Before moving forward, the C-Team requires consensus on these three issues:

1. Realizing that marketing rules have changed and getting leadership on board with today's best practices. The CMO should undertake this project by hosting a working session for the rest of the C-Team. It may be even more successful if led by an outside expert the CMO brings to facilitate / teach.

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2. The CMO and the Chief Sales Officer must jointly set the goals and measurements for a demand creation program. They should consider metrics for new sales-ready leads, leads converted to qualified pipeline and closed new business. Both leaders should also establish a shared bonus for their teams when goals are achieved.
3. Lastly, the CMO and CEO need commitment from the rest of the C-Team to stay out of the weeds. Marketing should be able to complete a tremendous amount of work (process, technology and content) without getting approval for each step.

Challenge II – Stuck In the Good Old Days

Current Situation

The company runs basic batch and blast email marketing, they can count opens and see who clicks on their links, but are unaware that full featured MA technology also tracks website visitors, scores leads and facilitates automatic drips. They do a lot of other things to promote themselves like regularly hosting webinars and live events and using social media but they have not integrated these efforts with their outbound marketing.

Biggest Roadblock

This company's lack of awareness in current marketing technology and an old-school approach are their biggest obstacles. Their top three challenges:

1. Their dated MA technology is holding them back. They don't purge hard-bounces, cannot track site visits or page views, don't practice any form of scoring or automated drip marketing and can't do any lead tracking.
2. Their database is one-size-fits-all. Although they target very distinct customer groups they have no list segmentation and therefore cannot send target-specific messages.
3. While they have good content and many on- and off-line opportunities for prospects, none of their marketing efforts connect in any way. Integrating the events, content libraries, social media, reference resources and newsletters into their website, and using landing pages and other opt-in strategies to build out a segmented database would improve results greatly. Lead management technology based on all this new data would greatly improve their conversion rate.

Getting On Track

This company could easily update their MA to be much more successful. Having an expert guide them through the launch and development stages of marketing automation will save much company time and energy, and little guidance will be required afterwards.

Challenge III - Content Challenged

Current Situation

The company followed all the right steps to a successful launch of MA. Yet, their sporadic blog posts, newsletters, and webinars are not enough to produce qualified leads.

Biggest Roadblock

Mechanically speaking the company has done many things correctly: the process, technology and marketing automation platform are in place. However, they do not have enough content to make the system work.

The two biggest challenges:

Frequency – Irregular and limited content updates tell prospects it's not worth their time to come back often. SEO also suffers since their website pages so rarely update.

Relevancy – The content they publish sells too hard and feels like sales spam.

Getting On Track

Current best practices for B2B companies are to blog at least three to four times a week, host regular webinars or on-line events, produce white papers or e-books and maintain updates on Twitter, Facebook and LinkedIn. Several times a day B2B companies should Tweet to promote new content and to share links to relevant external material. Comments should be left throughout the week on other relevant blogs and forums. When it adds to the discussion, comments should include links back to the company's material.

Current best practices for B2B companies are to blog at least three to four times a week, host regular webinars or on-line events, produce white papers or e-books and maintain updates on Twitter, Facebook and LinkedIn.

This level of content generation and sharing is an on-going practice that must be sustained. Stops and starts hurt momentum and depress success rates.

Challenge IV - Buried in Big Company Bureaucracy

Current Situation

Big companies face unique challenges. Some have excellent content but limited ways to get it to the correct audience when they want it. 'Siloed' marketing teams often compete over timing, frequency, lists, and schedules. Sales teams may add even more complexity and bring along ownership concerns over leads and 'accounts'. Marketing leadership may not be setting strategy, and sales leadership may not speak with Marketing.

Biggest Roadblock

While it may seem like "politics" is the issue at the company, the biggest snag may be executive leadership. A company only needs coordination from two people to be successful – the chief marketing officer and the senior sales executive. While it is possible these two may be unaware of what they could gain by setting shared demand generation priorities, it is more likely neither leader has worked to prioritize the program for the good of the company.

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Getting On Track

Either the chief marketing officer or the sales leader can take the first step to get the program started. Sales will be motivated by receiving help at creating and qualifying leads, and marketing will be motivated by measurably impacting the sales pipeline by adding new, sales-ready leads.

Shared priorities help executive leaders work together, and connecting bonus compensation to the success of the program will make the program even more meaningful to both teams.

Section Three

Implementation and On-Going Management of Your Marketing Automation System

There are two important stages to successfully launching marketing automation and creating an on-going lead lifecycle management program that works. The first of those is alignment between the sales and marketing teams. The second is defining a set of *implementation activities* that achieve the initial goals of the program and minimize rework once it's up and running.

First, let us look at sales and marketing alignment. We have seen too many situations where there was no alignment (or shared goals) between these organizations and the results ranged from disappointing to disastrous. Alignment, or more specifically, shared, measurable objectives, can be achieved by following these simple steps.

Achieving Sales and Marketing Alignment

A. Agree on the definition, characteristics and profile of the ideal target account(s). (Try 3FORWARD's Sweet Spot Matrix for a simple one-page model).

B. Decide which individuals – by role, title and decision level – are the most important people to message in these ideal target accounts.

C. Define the status of an ideal lead coming out of one of these targets accounts. This is what we will call a sales-ready lead (some call it a marketing qualified lead). Consider things like cumulative website page views, content downloads, webinars/events attended, role and level, etc.

D. Based on the annual revenue objective decide how many qualified leads are needed each month (or quarter, week, day – depending on your sales cycle) to position sales to meet their revenue goal. (Try 3FORWARD's Do I Have Enough Leads Calculator for help with this process).

E. Decide the recycling process for those leads that get promoted but are later determined not to be sales-ready. *(Note: a best practice is to deploy a telesales role to qualify leads as they are promoted out of the marketing automation process. The book Sales 2.0 by Anneke Seley and Brent Holloway covers this approach in great detail.)*

F. Set and agree to shared metrics between the marketing and sales teams that will incent both teams to work together and support the process. Here's a sample set of goals we recommend for companies just getting started.

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Sales and Marketing Alignment Made Simple:
Three Shared Metrics for New Lead Lifecycle Management Programs

Element	What is Measured
Leads	Mutually define a Sales Ready lead and decide how many Sales Ready leads must be created each month (quarter, week or day, etc.)
Leads Converted to Sales Pipeline	Set a shared target % for how many Sales Ready leads convert to qualified pipeline opportunities
Leads that Close as New Wins	Agree on the target % for how many qualified opportunities become new wins

Now that sales and marketing alignment is established, let's break down the marketing automation implementation process. 3FORWARD has an offering called Lead Ready™ that helps companies do what we've been talking about, and the process that follows is based on that program. We are generally able to launch a program in 60 to 90 days. Factors that can influence that time frame include how many of these tasks you have already thought about, the experience level and availability of your implementation team and the support from external resources like IT.

Implementation Checklist for Marketing Automation

Task	Activity
Lead generation program, Scope and definition; Workflows	Layout the goals and initial plan for your overall lead generation solution. Think through both outbound and in-bound elements. (i.e. email / Social Media / web site / Events etc.); Think about lead management, tracking, scoring methodology and program ownership.
Out-bound lead campaigns, Design nurturing plans, Content and message level call to action recommendations.	Create the goals and objectives for lead creation. Consider messaging strategy and the tactics you will use for outbound messaging. Options include message campaigns, drip marketing, announcements, event promotions, etc.
Lead scoring strategy, Lead nurturing, Drip campaigns	Consider your lead scoring goals and the methodology and rules you would like to apply. Think about the nurturing workflows you will want based on lead activities and stages. Consider what types of automated messages you may want as leads engage with various elements of your website and content.
Marketing automation platform selection	Evaluate various platforms and make selection that best meets both current goals and allows for program growth and expansion. Consider pricing strategy, available resources, product road map and strongest/weakest features. Talk to at least three references with similar business models and message volumes.

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Database segmentation	Consider all the unique ways you will want to reach your leads. Areas to consider include verticals/sector, geography, title, decision level, current relationship, etc. These decisions will dictate database structure and associated custom fields you may need to create in the MA platform.
Target company list and detail	Build initial target company contact-level lead list, ensuring details are accurate, relevant, and up-to-date. Sources to consider include: current CRM, sales team "Outlook" contacts, executive team contacts, LinkedIn relationships, industry advisors, consultants, analysts and media, trade shows, purchased lists of opt-in contacts, etc.
Content plan	Identify existing content (white papers, blogs, studies, etc.) and begin mapping it to your lead strategies, i.e. early, mid and late stage content; sector or position-specific content, etc., Determine gaps and plan for new, on-going content creation.
Software deployment and setup	Implement the marketing automation software. Test the visitor tracking code on the website. Load databases. Create sample messaging and test all elements. Create custom queries and alerts based on previous decisions.
Define on-going reviews, metrics and reporting requirements.	Review lead generation campaigns and events, lead nurturing results, scoring and visitor analytics. Design Key Performance Indicators to track the success of the program and drive continuous improvement.

Four Additional Considerations to Implementing Marketing Automation

Here are a couple other areas to consider as you implement your marketing automation program. We highlight these because they can either be major contributors to success, or serious stumbling blocks for your program. For example, if you do all the above perfectly but fail at "content", you may as well have never started the program. The same goes for integrating a social media strategy and maintaining an always-growing database. Leads will opt-out, change jobs, retire, and otherwise drop out of your database and they must be replaced. Also think about how your 'lead' database will need to interact with any other CRM databases, as these often sit in different silos.

1. Prospect Database

An accurate lead database of your targeted prospects is critical to marketing automation success. It's not "sales' job" to go find these leads, it's marketing's. However, marketing and sales together should define the ideal prospect and create a Sweet Spot Matrix so everyone agrees who goes into the database. These leads will also be segmented and ranked based on things like target markets and your sales team's alignment with verticals and geographies. **Again, both sales and marketing must work together on this critical area.**

An accurate lead database of your targeted prospects is critical to marketing automation success.

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2. Content Creation

There are two goals for your content:

1. Create plenty of strong content that is easy for your prospects and leads to locate, read and share.
2. Make sure you have the technology and processes in place to score and nurture those leads that engage with your content until they are sales ready.

The content you create should work with your marketing automation platform, your social media efforts and your web site (as you'll hear below) to engage, educate and qualify your prospects – it's not about blowing your horn or boring your leads with speeds and feeds. We recommend you consider content a full time responsibility of marketing, not just something that will happen in between everyone's other tasks. Give thought to formerly assigning the content role to someone on the marketing team and giving them a formal job description based on the best practices of leading B2B content marketers.

(See our Wrap Up and Resources section for a link to a Chief Content Officer job description*).*

3. Social Media

Don't waste time in meetings trying to decide, "Should we be on Facebook, are we using LinkedIn, or are companies like ours really using Twitter?" Every company out there needs a social media strategy that (at a minimum) addresses in-bound lead creation, prospect engagement and social media monitoring. Your social media strategy should not be the exclusive bull horn for marketing, it should engage your executives, subject experts, customer service and sales team. Align this strategy with your overall lead lifecycle management effort for maximum benefit.

4. Web Site

There is a great blog post from Anneke Seley, the author of Sales 2.0, on the role today's website has in the selling process. Here's what she says, *"In the Sales 1.0 era, prospects had to talk to those of us in Sales in order to get information about our products and services. Today, they check out our websites first, quickly forming a first impression. And, if we've done our jobs well, our websites become their "go to" resource throughout the buying cycle and often beyond."*

"In the Sales 1.0 era, prospects had to talk to those of us in Sales in order to get information about our products and services. Today, they check out our websites first, quickly forming a first impression."

– Anneke Seley, Sales 2.0

She then provides four reasons why (and how) today's websites need to be part of a Sales 2.0 strategy. They are:

A. Websites can help generate prospects and keep them engaged

B. Website analytics reveal what prospects are interested in

C. A 2.0 website can show when and how your prospect is engaged – and how qualified they are to buy

D. Sales 2.0 website + marketing automation system + CRM integration = increased sales productivity.

Most companies' websites need a lot of work to become a "go-to resource" that can deliver these results. If you are considering a redesign think about your earlier efforts with sales on market segmentation, plus the new capabilities you will have with your marketing automation software. Also factor in your social media plans and, of course, decide how to feature the output from your new content initiative. All of this should come together on your website as the focal point for engaging your leads, prospects and customers.

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Wrap Up and Additional Resources

Make It Happen

Once your program is launched immediately start measuring the effort and begin looking for opportunities to improve results over time. How long your lead generation and sales cycles last will determine how quickly you should begin tweaking your efforts.

Remember, you will need to adjust frequently as you observe what works and what doesn't. Keep the sales and marketing relationships that helped define your program in place – they will jointly determine the needed course corrections.

Where to Go From Here

We mention many resources in this document which you can find both on 3FORWARD's website and elsewhere. Give them a try and let us know what helps you the most.

Further Reading

Content Rules, Ann Handley and C.C. Chapman

New Rules of Social Media series. David Meerman Scott - eMarketing Strategies for the Complex Sale, Ardath Albee

Sales 2.0, by Anneke Seley and Brent Holloway

Software Advice, the CRM Blog

Lead Lifecycle Management topics from 3FORWARD's Sales Leaders Blog

Content Fuels Demand Generation

Aligning Sales and Marketing In Four Easy Steps

Has Anyone Seen My Sales Leads

Five Steps to Sales Success with Content Marketing

CEOs and CMOs – Are You Setting Up Your Sales Leader for Success?

Get Off the Marketing Automation Fence

Tools, Templates and Services

Sweet Spot Matrix

Do I Have Enough Leads Calculator

Finding Your Best Prospects Success Kit

Lead Ready™

Chief Content Officer Position Description, courtesy Joe Pulizzi, Junta 42

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Did this help?

Launching and sustaining a new *marketing automation program* is challenging but very worthwhile. We have tried to provide a plan for those ready to take it on and recommendations for those already doing it. We hope this eBook does that for you and your team. Just remember, what's most important is getting started, having a plan and preparing for those inevitable setbacks. When they happen you can be ready to adjust and continue on!

About 3FORWARD

3FORWARD helps, guides and supports company leaders through sales transitions.

Are you a CEO, Chief Sales Officer or senior Marketing executive tired of hoping for best-in-class sales results AND committed to making the changes to get there? Our sales effectiveness programs are designed around one goal – helping your firm improve results today – not next year.

Working with 3FORWARD is more like a workout with a personal fitness trainer than buying time from boutique sales consultants. We much prefer rolling up our sleeves with you and your team, getting our hands dirty and helping you reach your revenue goals faster than if you have to tackle them by yourself.

Our backgrounds reflect successful careers in B2B sales leadership, marketing, alliances and business development. 3FORWARD's founders have been in the sales world for more than 25 years each. Along the way we have developed a strong belief in the science of selling over sales as an art. We invite you to view our profiles, visit our networks and connect with us if you would like.

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