

# Nine New Year's Resolutions to Rev Up Revenue



Starting the New Year with a fresh attitude, people generally set goals in their personal lives to live healthier and better prioritize their time. That same practice of promising to make changes that will improve performance also applies for BtoB organizations.

In order to be successful, companies will have to be faster, smarter and more efficient than their competitors. The following list outlines 9 resolutions that will help prepare BtoB sales and marketing teams improve ROI, accelerate the sales cycle and ultimately win more deals.

# 1. Clean Your House

One of the first lessons marketers learn about demand generation is that campaigns are only as effective as the contacts they reach; so the **contact database** can quickly become your best friend or your worst enemy. In order to avoid the “garbage in, garbage out” trap many companies fall into, marketers must clean up their databases in order to increase campaign effectiveness.

Industry experts stress that cleaning up your database should be an ongoing exercise, but the start of a New Year and new decade represents an ideal time to make sure that your contacts are current, accurate and a good fit for your offerings.

According to research from Marketing Sherpa, lead generation data goes bad at a rate of 2.1% a month, which translates to approximately 25% of your database getting “dirty” each year. In order to make data cleansing a priority, some industry experts have recommended adding a “born on date” field to records and refresh any data that is over a year old.

To help make up for the attrition marketers experience, the average company looks to grow its database by 30% to 40% every year. In addition to helping to generate new and accurate records, marketing automation systems can help companies keep a “digital biography” of every email opened, site visit, and most important; every Web page viewed to keep sales and marketing communications on time and on target.

By keeping the marketing database as a superset of the CRM list, marketers are able to differentiate prospects from leads and customers and target those contacts appropriately for new offers or cross-sells.

## 2. Strengthen Communication

Over 80% of BtoB organizations admit that a **lack of synergy between sales and marketing** functions ultimately leads to lost revenue opportunities, according to research from Aberdeen Group. The most successful BtoB organizations realize revenue generation is a shared responsibility across marketing and sales. Alignment between sales and marketing is an essential building block to identifying and engaging effectively with likely buyers.

For those companies with silos still separating sales and marketing, the first priority for the New Year should be getting the two teams together in a room and agreeing on the processes and metrics guidelines for:

- The definition of a qualified lead
- The volume of leads marketing will need to generate in order to give the sales team an adequate pipeline to reach their revenue goals
- How leads will be prioritized and scored
- A hand-off process for leads to move back and forth through the funnel, based on their qualifications and recent behavior

In addition to helping marketers feed the pipeline, new automation tools are helping sales reps drive their own prospecting efforts. For example, sales acceleration tools allow reps to send emails that track the activity of individual leads on their Web site.

With many organizations running with lean headcounts, sales intelligence tools have helped sales reps optimize engagement by building self-service campaigns which are timely and relevant.

Joe Galvin, VP at sales marketing research consultancy SiriusDecisions, recently pointed out that a collaborative effort is needed for successful demand generation. “Our research shows that even in the best of scenarios, marketing **contributes to 18%–24%** of the sales pipeline. That suggests that salespeople drive the balance of that on their own,” Galvin said. “Salespeople are looking for technologies to help them cast a broader net into a more defined or specific set of accounts or opportunities so they can do a better job to cross sell and up-sell inside the existing base. We get caught up in the net-new account approach and fail to recognize that in our mid-market, major market or enterprise class markets, this demand for a continuous engagement in demand creation sits squarely on the shoulder of sales.”

### 3. Reconnect with Old Contacts

Lead nurturing has proven to be one of the most potent strategies for BtoB marketers. Because buying process are often longer than anticipated or delayed, the need to **establish a dialog with prospects** and understand where they are in their research is essential.

By using automation tools, marketers can develop prospects from contact to close by maintaining consistent contact, which is relevant to their industry and research activity. Case studies have only consistently shown that multi-step drip marketing campaigns often help to accelerate the buying cycle. The use of **trigger-based nurturing campaigns** to deliver targeted information based on a prospect’s behavior and activity have helped to greatly increase the win rates at leading BtoB companies that have a head start on automation.

In addition to warming up the new inquiries that enter the top of the funnel, nurturing programs have had a dramatic impact on the ROI of marketing by reviving those leads previously pronounced dead by sales. By re-engaging with those contacts who may not

have been ready to make a purchase a year or two ago, many marketers have found fertile ground in those contacts who are already familiar with your brand and offerings. Filter through the contact database to identify the contacts who are still considering a purchase. Don't miss out on the opportunity to restart a conversation with these old friends.

## 4. Get Your Priorities Straight

Sales representatives are often the highest value and highest paid assets of a company, so making sure their time and efforts are prioritized efficiently is critical. **Lead scoring systems** have helped companies increase the efficiency of their sales reps by identifying and prioritizing the prospects who are most likely to buy.

For companies who have not yet implemented a lead scoring system, or have been disappointed with the effectiveness of "watered down" lead prioritization, now is a great opportunity to qualify based on characteristics such as demographic profile and web site visit activity. A typical breakdown of lead scoring occurs when sales establishes a basic grading systems such as A, B, for contacts. Because these criteria are too vague, reps often stop paying attention to the scores and it quickly loses any impact.

SiriusDecisions pointed several years ago in a post titled "The New Wave of Lead Scoring," that lead scoring solutions are quickly evolving. "While most marketing automation platforms include the ability to score based on demographics, BANT and/or behaviors, few can give you an aggregate score of these three critical scoring components."

By profiling and tracking leads based on a combination of factors, such as activity and demographic data, marketers are able to **identify and prioritize** those prospects demonstrating buying behavior.

Lead scoring also helps to support lead nurturing efforts by tagging those contacts who need more follow up to warm them up for a sales call.

## 5. Lose the Wait

Given the intense competition in most industries, organizations can no longer afford to be the second or third company to respond to an opportunity. Research has shown that engaging a prospect while they are at the peak of interest can greatly increase a sales person's ability to close a deal.

By using tools such as real-time lead alerts, companies with automated tools and processes are gaining a competitive edge by responding quickly to the questions and information needs of their prospects. Whether they are delivered via reports in a CRM system, via email or directly to a mobile device, these alerts provide detailed intelligence on each prospect's Web visits and can provide the salesperson with a snapshot of activity history.

With more and BtoB buyers moving their research to the Web, this kind of intelligence delivered in real time helps sales reps make more timely and informed calls, ultimately improving their close rates and shortening the sales cycle.

## 6. Cut Wasted Spending

Retail pioneer John Wannamaker is famous for his quote: "Half the money I spend on advertising is wasted; the trouble is I don't know which half." Wannamaker died in 1932, but this feeling still unfortunately exists for a lot of executives today who cannot accurately track the impact of their marketing investments.

Marketing automation systems have helped to change that picture. In a recent survey conducted by DemandGen Report, more than one third of respondents cited an improvement in their measurement/tracking of campaign results as the top payback of implementing a solution.

In a Marketing ROI & Measurements Study, conducted by the **Lenskold Group / MarketSphere**, also showed that companies outpacing their competitors are much more likely to have a staff dedicated to marketing operations, use marketing ROI and profitability metrics, and have campaign management automation. According to the Lenskold Group study, those firms that considered their marketing highly effective and efficient (9% of the total) showed significant advantages in having data, facts, and **insight to better guide marketing spending decisions** (75% vs. 33% of all other firms) using good measurements (69% vs. 30%) using **customer analytics** (65% vs. 31%) and having marketing operations processes to improve the business of marketing (64% vs. 29%).

“The economic pressures are increasing the demand for measurements and ROI, and should motivate marketers to improve their capabilities. It is a critical time to understand and manage marketing effectiveness,” said Jim Lenskold, president of Manasquan, NJ-based consultancy the Lenskold Group. “And as marketers experience the opportunity to improve marketing effectiveness with better insight, we would expect those practices to hold steady and continue on beyond the economic recovery.”

## 7. Get Smarter About Your Customers & Prospects

The BtoB buying process has changed and companies that fail to adapt their sales and marketing processes are likely to miss out on the new types of buying behavior

prospects exhibit. Where companies historically counted on being part of an RFP process, a lot of research is now conducted anonymously using Web tools.

Dave Green, President of marketing consultancy PipeAlign LLC and the co-author of *The B2B Refinery*, stresses that companies need to focus on “digital dialog” in order to better understand and respond to the needs of prospects and customers. “Digital Dialogue is necessary for inquiry nurturing because most prospects don’t want to talk to sales people early in an **investigation of a complex product or service**,” Green said. “It’s similar to a customer that walks onto a car lot and wants only to kick the tires, look at various models and read the prices and gas mileage information. That customer doesn’t want to be pressured. Car dealers dismiss such prospects as ‘tire kickers.’ Every industry that sells complex products or services has far more tire kickers than buyers. The bigger the price tag and the more complex the solution, the longer prospective buyers stay in a tire-kicking mode.”

Automation systems help BtoB organizations understand prospects and accelerate the sales process by tracking email opens, Web page views, downloads etc. With the ability to identify unique buying behaviors based on their search terms and page visit frequency, intelligent organizations can tailor their pitch to match the pain points of the prospect.

## 8. Shape Up Your Pipeline

After your organization has implemented advanced lead management tactics such as nurturing and scoring, you will have an opportunity to improve the flow of leads from contact to close. A report from Aberdeen Group titled “Lead Lifecycle Management: Building a Pipeline that Never Leaks” found 81% of Best in Class organizations use lead management tools, compared to 42% of laggard organizations.

“It’s important for organizations to start thinking about the entire customer experience from the time a lead becomes a prospect, to the time they are converted into what is hopefully a lifetime customer,” said Ian Michiels, Group Director, Customer Management Technology at Aberdeen Group. “Every organization will have a different process for routing leads within the lead lifecycle approach. Unfortunately, the research suggests very few organizations actually take the time to map out the full lead lifecycle process to identify inefficiencies and best practices within existing processes.”

With metrics for best-in-class companies showing almost **50% improvement in conversion rates** with defined phases of the funnel, and significantly decreasing their cost per lead on closed deals, SiriusDecisions projects the penetration of **marketing automation systems will expand dramatically**.

## 9. Target the Right Opportunities

As marketing and sales teams become more sophisticated with their measurement and execution, SiriusDecisions’ Managing Director and Co-Founder John Neeson predicted segmentation will emerge as one of the key competitive differentiators. Neeson said segmentation and targeting will be especially important as companies look to “get into new segments, or consolidate” existing verticals or product lines.

“I expect to see more focus on behavior-based segmentation in driving personalized/customized content for each campaign,” said Henry Bruce, President of The Rock Annand Group, a NY area based consultancy. “Campaigns will be executed for prospect groups of 25–50 with a very specific call-to-action that sales/inside sales calls on within 48–72 hours for follow up.

I have been executing a number of these types of campaigns over the past few months with very strong results.”

Marketing automation systems can help companies build targeted campaigns by providing search based interfaces to easily segment lists by activity, industry or dates of engagement criteria. With the ability to easily sort, profile and segment the database, it is much easier for marketers to build “micro” campaigns which focus on specific verticals or even target accounts.

## **Looking Forward to Many Prosperous Years!**

We hope you find these New Year resolutions helpful in revving up your marketing programs. For more information on how you can improve your marketing ROI, accelerate the sales cycle and ultimately win more deals, visit [www.eTrigue.com](http://www.eTrigue.com)