

# Demand Generation Automation and Management – Five Tips

Edition 1 – Early Planning

# Automating Demand Generation – Early Planning

In this, the first in a series of advisory documents from Marketing Decisions, we explore the “must do” steps to take on the road to successful Automation and Management of Demand Generation.

## Introduction

Firstly, let's put this discussion into context.

- a) We are describing transactions in a business to business (B2B) context or a high value consumer purchase where the buying cycle is likely to be extended over a number of months, often involving extensive buyer research and complex decision making.
- b) We are typically describing a number of prospects which become too many to nurture and track manually, thus needing a form of automated management to ensure that every touch point is managed and not a single lead is left unaccounted for at any time.
- c) We are describing a new era in B2B Marketing where the function has graduated from a focus on traditional “feel good” activities such as hosting sales conferences, trade shows, producing impressive collateral, managing the Brand and Communications to being thoroughly accountable for providing a continuous stream of quality leads for sales to convert to revenue. Why bother with Marketing if you cannot relate this investment to the top line and even further to bottom line profitability?

With this in mind, let's take a look at where to start.

### Tip 1. Be Clear About Your Goals

You want profitable revenue growth through improved management of leads. There are many possible paths to take to realise this goal – and so many pitfalls, but one common factor must prevail – every single prospect must be carefully managed by Marketing until they are ready for Sales to convert. Define goals which are well supported by staff and well defined in terms of segments, geographies, offer, competitive landscape etc

### Tip 2. Set Realistic and Achievable Goals

International studies have shown that revenue growth can be expected just from automating and improving management of Demand Generation.

A 2007 Aberdeen Group study (Automating Leads to Sales) concluded that “.. over two-thirds of companies currently using an automated lead management solution have seen a 10% + improvement in lead to sales conversion rates”

CSO Insights reported in 2006, in a study of 1275 companies that those companies who excel at demand generation management on average enjoyed:

- Conversion rates of leads to first calls improved by 16.5%
- A win rate rise of 7%

It would be safe to work towards a 10% growth in revenue from improved lead management alone but with other associated improvements made at the same time such as sales upskilling and improved integration between Marketing and Sales higher growth goals can be realistically targeted. However, it is very important to set growth targets that stakeholders believe to be achievable.

### Tip 3. Communicate and Involve

The process of improving lead management is critical to the life of a company and can involve many stakeholders – not just Sales and Marketing but the entire operational team who have to fulfil the commitments to customers. Take the time to thoroughly communicate intent because this is a very positive step for a business.

### Tip 4. Tighten the Relationship between Sales and Marketing

Sales view Marketing as a cost centre which does not really help them to meet quota. Marketing is frustrated by the inability of Sales to convert their initiatives. This disconnect is the same in many companies but the process of empowering Marketing to deliver a continuous stream of quality leads needs early involvement from Sales. This journey will bind Sales and Marketing out of necessity and produce a more effective combined force. Start with one of the most important steps in this process – get Sales and Marketing together in a room to agree a definition of what constitutes a qualified lead for Marketing to pass to Sales.

Typically, Sales will suggest that the lead needs to be ready to purchase in less than three months, has approved budget, has buy-in from key decisions makers etc. Of course we would all like to have this ideal level of qualification but in reality, in the Marketing qualification stage there is likely to be only indicators of these characteristics eg.

- Has downloaded a particular document giving indication of their interest
- Has visited high value web content
- Fits an explicit profile in terms of industry, company size, location etc
- Behaved with a certain profile over a certain period of time in response to campaigns

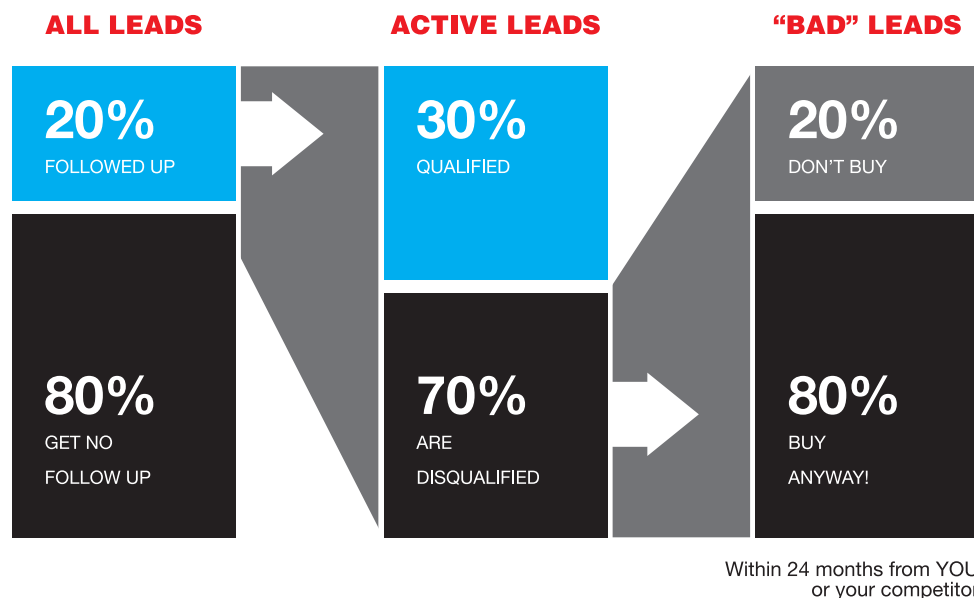
Having fit these characteristics a lead can be passed to Sales who then use their skills to develop the lead into a tangible opportunity for the company. For sure, some of these leads will not make the grade when Sales begin to make contact and this takes us to the last tip in this paper.

## Tip 5. Account for all Prospects and Leads, all the Time

Never, ever abandon a prospect or lead unless they have specifically opted out of your initiatives. As you pass qualified leads to sales you will find sales rejecting some of them for various reasons. It is imperative that these leads are not lost, for whilst they may in fact be “cold” or “slightly warmed” rather than qualified sufficiently now for sales, at some stage in the future they might return to be a genuinely qualified lead. These leads therefore need to be recycled back into the automated Marketing engine to be nurtured until they become ready in the future.

Research by Sirius Decisions (see Diagram 1 below) has shown that typically in B2B organisations a multitude of leads received by sales are rejected and only those showing strongest buy signals will be pursued. The same research shows that generally these leads become neglected and lost from the radar screen of the organisation. However, in the long run many of these so called “cold” leads end up at some time in the future warming to become buyers – most likely from your competition given your neglect. It is therefore imperative to establish an automated closed loop marketing process of qualification and recycling of those leads which are unable to be progressed by sales.

### Why Lead Recycling ?



Source: Sirius Decisions

Now with a few early stage tips in hand we introduce the second in this series of tips. “Practical Tips for Automating Marketing Campaigns”. This edition gives solid practical advice on how to transition from ad hoc, ineffective manual processes to automated demand generation with a centralised database gathering all points of interest in relation to a prospect, scoring them and prioritising them automatically in readiness to pass to sales.

## About the Author

William McNamara is the CEO and founder of Marketing Decisions Pty Ltd, a specialist Agency dedicated to helping B2B organisations drive revenue growth through improved lead generation and management. Marketing Decisions represents the world's leading Automated Demand Generation software, Eloqua Conversion Suite, specifically for B2B Marketers. William has held various lead marketing roles in Europe, Middle East and Africa with companies such as Motorola and Invensys and more recently was Vice President of Marketing at Australasia's largest software company, Mincom. William holds honours degrees in Engineering and an MBA and has successfully pioneered automated Marketing campaigns