



FILLING THE FUNNEL WITH MARKETING AUTOMATION

If you poured black coffee into the top of a funnel and it came out the bottom as a mocha latte crowned with whipped cream, you'd be amazed. What an awesome invention! Needless to say, that's not how a funnel works, so it shouldn't be a surprise to learn that unless you fill the funnel with quality leads, you won't end up with many closed deals.

The Newfangled Funnel

Today's sales funnel may not make lattes, but it has evolved. First off, customers are no longer being pushed down the funnel, but rather being pulled, or perhaps a better word is guided. B2B customers rely heavily on online information and complete 50–70% of the buying process before contacting a seller.¹ This growing influence of digital communication channels on B2B purchasing decisions has led a majority of companies to adopt content marketing strategies. According to a recent survey by B2B Content Marketing, 88% of B2B companies use content marketing, which is defined as “creating, distributing, and sharing relevant, compelling, and timely content to engage customers at the appropriate point in their buying journey to encourage them to make a purchase.”

To complicate matters further, this buying journey is not straightforward, but is more like a meandering pathway along which prospects are influenced by a variety of information sources. They may also wander off this path and come back at a different point, which means that marketers must keep track of where potential buyers are, what they need at each stage in the journey, and then maintain engagement with relevant content. It can be exhausting keeping up with these people (caffeine is sounding good, right?!)!



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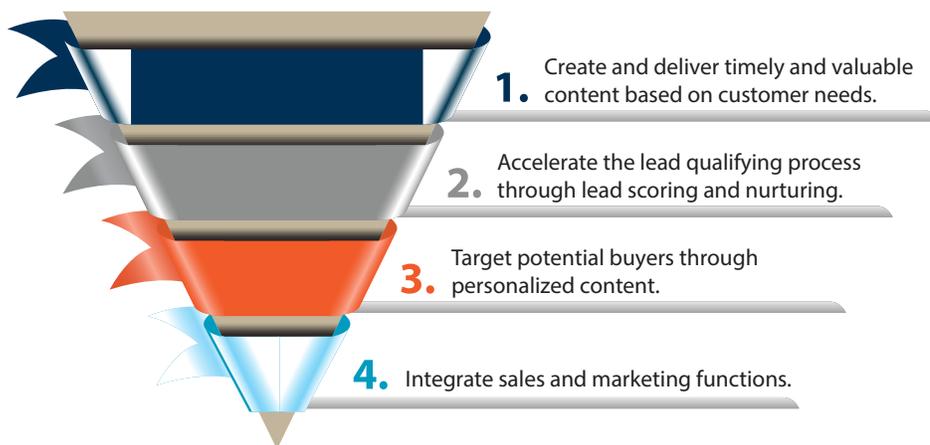


Many would also argue that these changes have led to a “sales and marketing funnel.” There has been a long history of conflict between sales and marketing with regard to lead generation and management. The sales group often complains about the quality of leads they receive from marketing, while marketing folks wonder why the sales group doesn’t follow up on leads effectively. This is not just a perception: one study found that 70% of all leads passed on from marketing are not followed up by sales.²

In the past, marketing was typically in charge of the top half of the funnel, while sales was responsible for the bottom half, with functions rarely overlapping in the middle. However, when sales and marketing collaborate, both groups have the ability to improve effectiveness and efficiency. Marketing can acquire more insight into potential customers, while sales reps can learn more about how marketing produces leads and contributes to the process, improving lead generation and quality.

Enter Marketing Automation

Thankfully, there is a tool that can help you fill this newfangled funnel, keep wandering customers on track, and create sales and marketing harmony—marketing automation. This software platform is gaining ground in the B2B sector because it can help marketers:



Let’s start at the very top of the funnel, which is actually slightly above the opening. Potential buyers are searching for information, and your job is to create and deliver content that generates awareness, educates, and attracts customers to your website for further interaction. Once there, the goal is to get these “suspects” to identify themselves by providing contact information in order to receive additional content, such as white papers, research reports, or webinars. This information activates the marketing automation software and initiates the journey.

At this stage, content creation is a result of listening: What do your target customers need? What problems can you help them solve? What advice can you provide? Where are they looking for information? Active listening involves collecting customer feedback by asking questions, while passive listening may include tracking behavior and monitoring social media. This is also a perfect opportunity to make content creation a joint effort, combining the expertise of many areas within your company. It makes sense to ask folks in engineering or manufacturing for input, because they have customer knowledge and technical information that marketing may not.

Once you’ve identified contacts or “prospects,” marketing automation begins its job of classifying leads. Contacts who meet the predefined criteria, as determined by both sales and marketing, begin to receive the appropriate nurturing from marketing or go directly to sales for follow-up. When it comes to nurturing, the more personal the message is, the more likely it will be noticed. Keep in mind, research shows that today’s B2B buyer will find three pieces of content about a product or service for every one piece that marketing can publish or sales can deliver.³ So, make your content count!

Here’s the tricky part: How do you identify those prospects who offer the highest probability of becoming a customer? Qualifying leads can vary from company to company, depending on the product, the length of the sales cycle, and buyer behaviors. The first step is outlining the characteristics of a high-quality lead for your particular organization, which, again, should include input from sales.

By using predefined characteristics, capturing buyer behavior, and tracking interests, marketing automation can help you nurture leads and build relationships with highly personalized content. What prospects receive may depend on how much interest they have shown in the company or product, the type of content with which they have interacted, or the additional information they have requested. Marketing automation identifies the amount and type of interest a prospect demonstrates, and then scores leads that are ready to be contacted by sales. Lead scoring allows sales to focus on top-ranked leads instead of wasting resources on prospects that are unlikely to make a purchase, thus increasing efficiency.

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However, simply passing “qualified” leads on to sales is not always enough. As we mentioned earlier, many leads do not get contacted. Sales may determine that certain leads are lacking potential based on their own criteria or perceptions, which results in lost opportunities. To solve this problem, marketers must strive to design effective lead qualification methods that the sales group understands and agrees upon in advance.

Timing is also critical. Research shows that online leads lose momentum quickly and require a rapid response. A study that examined 1.25 million online leads received by 29 B2B companies found that contacting a potential buyer within an hour of receiving a query increased the likelihood of proceeding to sales negotiations by seven times, compared to those sellers who answered queries an hour later, and by 60 times versus those that took over 24 hours to respond!⁴ Clearly, today’s buyers expect a swift reply. Marketing automation allows you to respond quickly to online queries and rank leads so sales can expedite the follow-up. For example, qualified sales leads can be automatically transferred to a CRM system, which then assigns them to the appropriate sales group.

And, like a good caffeine buzz, the effects of marketing automation linger on once negotiations are over. Whether a sale is won or lost, the software keeps track of vital information so you can learn from both cases. Also, don’t forget our winding pathway: A potential buyer may roam and return at a different time and place in the journey. With marketing automation, you have the tools to maintain a conversation with these prospects, as well as existing customers who re-enter the funnel. In fact, current customers are particularly suited for nurturing with after-sales campaigns and new content that keeps them involved.

Maximizing Your Investment

While marketing automation offers many benefits, it’s not a magic wand. Successful implementation takes time and effort, including preplanning. Creating a flowchart or outline of the automation

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Harnessing the power of these systems also requires a change in mind-set that supports data-driven marketing, as well as a shift in focus from promotional or product-oriented advertising to customer-driven marketing. This doesn’t mean you need tech experts instead of marketers; technology must still be driven by good marketing strategy. It does necessitate direction and support from the top down, however.

In addition, as a company learns more about its potential customers, the amount of content required to fuel marketing automation increases. Without relevant and meaningful content, there is nothing to deliver! Therefore, companies must be prepared to create an ongoing library of quality content. Finally, marketing and sales must be willing to share data and integrate processes.



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When used properly, marketing automation can help you generate and classify more quality leads, gather valuable customer intel, nurture buyers with the right content at the right time, build relationships, and, ultimately, increase sales. Yet, a large number of companies confess that they are not taking full advantage of their marketing automation systems. In that case, consulting with an implementation specialist may help you maximize your investment and start reaping the rewards sooner. Perhaps we could discuss this over a latte?

To determine if marketing automation is right for you or to help you make the most of your system, call us for a free 30-minute discussion with a certified Pardot Consultant. We can help you put all the pieces of a successful marketing strategy together, including web design, content strategy and development, and marketing automation.



¹“Mapping the Buyer’s Journey,” SalesandMarketing.com, by Paul Nolan, 2015.

²“Re-engineering Lead Management,” Research Report, by C. Marcus, 2002.

³“Buyer Behavior Helps B2B Marketers Guide The Buyer’s Journey,” by Lori Wizdo, 2012.

⁴“The Short Life of Online Sales Leads,” *Harvard Business Review*, by J.B. Oldroyd, K. McElheran, and D. Elkington, 2011.

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Industrial Marketing Management, by J. D’Haen and D. Van den Poel, 2013.

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