

# INTRODUCTION TO INTEGRATED MARKETING SALES AND MARKETING ALIGNMENT



A company's sales and marketing teams often have a complex, sometimes contentious, relationship. On one hand, both sides realize that they need to work together in order to meet their demand and revenue goals. On the other hand, many sales and marketing teams barely speak to one another – never mind working together.

That's why sales and marketing alignment is such a hot topic today. Alignment involves many things: Shared goals, common milestones and metrics, well-oiled business processes, and smart technology investments.

But first and foremost, alignment is about one thing: communication. If sales and marketing can't learn how to work together as a single team, speak the same language, and exchange information freely, then all the technology in the world won't make a difference.

The benefits of alignment are clear: According to a 2011 Aberdeen Group study, highly aligned organizations achieved an average of 32% year-over-year revenue growth – while their less aligned competitors saw a 7% *decrease* in revenue. Yet according to another study from Forrester, just 8% of companies say they have tight alignment between sales and marketing.

This guide will help your sales and marketing teams achieve true alignment – and all the benefits that come with it. We'll walk you through seven foundational steps towards this goal, including evaluating your current sales and marketing processes; establishing common metrics, buyer profiles, and objectives; and more.

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-ABERDEEN

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# Step 1: GET YOUR BUYER PROFILES ON THE SAME PAGE

Prospect and buyer profiles can be a tricky business. Chances are, your sales and marketing teams each have an established view of their “ideal” prospects, and a lot of their daily activities reflect that vision.

Here’s the problem: Marketing and sales teams often use radically different prospect profiles – and they may not even know it.

**B2B organizations with tightly aligned sales and marketing operations achieved 24% faster three-year revenue growth, and 27% faster three-year profit growth.**

- SiriusDecisions

The first step towards solving this problem is to get your sales and marketing leaders together to compare their prospect profiles, focusing on where they overlap and where they don’t. At the same time, you should compare both sets of current profiles against what you know – based on intelligence gathered from your marketing automation, CRM and sales systems – about your best (and worst) customers. What traits really define a long-term or exceptionally profitable relationship? Which ones could be warning that some prospects might consistently present challenges?

Armed with this knowledge, you can proceed to build a single, mutually acceptable set of prospect profiles. In the process, you’ll build an important bridge between your sales and marketing teams that will facilitate better communication and cooperation, and go a long way to resolving entrenched conflict.

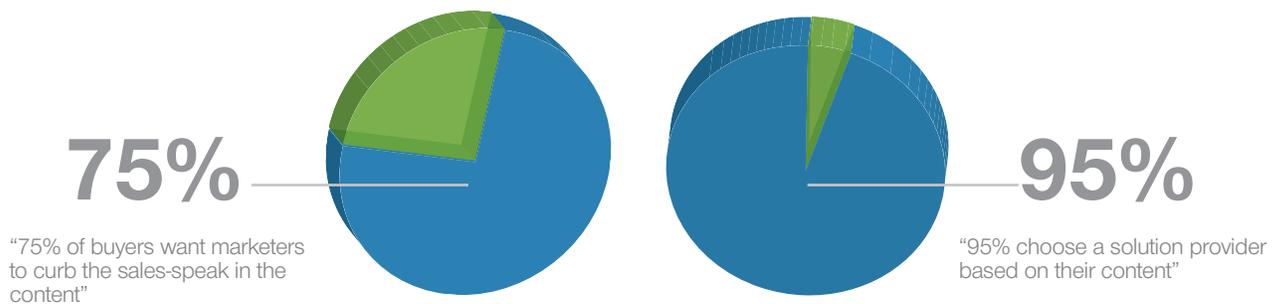


## Step 2: DEVELOP AN INTEGRATED MESSAGING STRATEGY

Content is another area where your sales and marketing teams may not be on the same page (no pun intended!). Different groups may rely upon different – and often mutually exclusive – sets of content assets. Some of these assets may be quite valuable, but others might be outdated and in need of a refresh.

A comprehensive content audit – figuring out what you’ve got, how it’s used, and where to find it – can help to correct this problem. In the process, it’s likely that you’ll discover “lost” assets that could be valuable to other parts of your sales and marketing organization. It’s also likely that you’ll discover gaps where your existing content isn’t suitable for certain nurturing campaigns, buying stages, or prospect profiles.

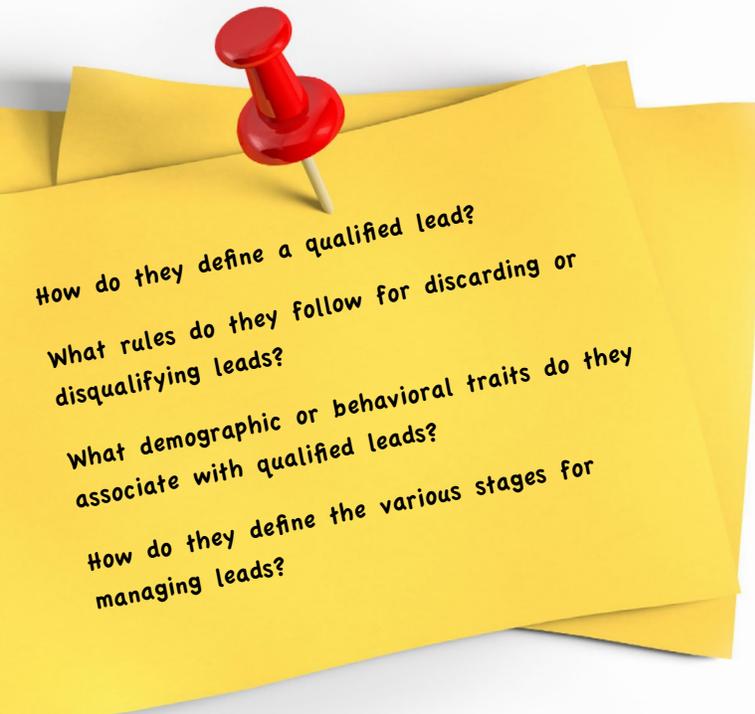
Also take time to review current best practices for creating and sharing content. According to the 2012 DemandGen Report “Content Preferences Survey,” for example, 75% of the respondents said that B2B marketers were too heavy-handed with the sales messaging in their content. And a 2010 study of B2B buyers found that 95% of buyers chose a solution provider that “provided them with ample content to help navigate through each stage of the buying process.”



That should be a powerful incentive to make sure that your sales and marketing content strategies are aligned and integrated.

# Step 3: AGREE ON COMMON METRICS AND DEFINITIONS

Ask your sales and marketing teams – separately – how they answer the following questions:



Organizations with tightly aligned sales and marketing functions enjoyed 36% higher customer retention rates and 38% higher sales win rates.

-MarketingProfs

Many executives are surprised to discover that their sales and marketing teams answer these questions in very different ways. As a result, neither side speaks the same language, even when dealing with critical concepts like “sales ready” leads (see sidebar).

In some cases, solving this problem is simply a matter of agreeing upon a set of shared definitions. In other cases, prospect data from a marketing automation system can help you identify the most important metrics for tracking and analyzing your company’s sales and marketing performance.

## DEFINING THE “SALES READY” LEAD

The process of handing off a lead from marketing to sales is critical to both sides. It’s the point where the marketing team proves its value, and where the sales team gets the raw material for closed deals.

So why do so many companies stumble over how they define a sales ready lead? That’s usually the underlying problem when marketing complains that its leads vanish into a black hole – or when sales reps complain that the leads they get from marketing are a waste of their time.

Solving this problem is one of the most important things you’ll accomplish with a successful sales and marketing alignment initiative. Look at your metrics and pipeline data: What criteria do the best job of defining qualified leads? Then document your criteria in a formal definition, get sign-off on the results – and follow up with a solid Service Level Agreement.

## Step 4: ESTABLISH SLAS

The Service Level Agreement (SLA) isn't just for technology providers. In fact, SLAs are an important way to define the relationship between your sales and marketing organizations, and to hold both sides accountable for their commitments.

The idea is really pretty simple: Begin with a set of agreed-upon performance metrics, such as those identified in Step 3. Then set a series of targets such as:

- The number of sales-ready leads to be delivered by the marketing team;
- The minimum amount of information to be collected before a qualified lead is passed to sales;
- The maximum time for a sales rep to follow up on a qualified lead;
- A timeframe for providing feedback to marketing on lead quality, especially regarding rejected leads.

Create separate SLAs for your sales and marketing teams, with each group making specific commitments to agreed-upon monthly or quarterly goals.

The SLA you create will reflect your organization's unique needs. Just remember that an SLA should be clear and simple; the goal is to encourage collaboration and maintain accountability, not to add a layer of bureaucracy to your business.



## Step 5: CREATE A CLEAR PROCESS FOR HANDING OFF LEADS

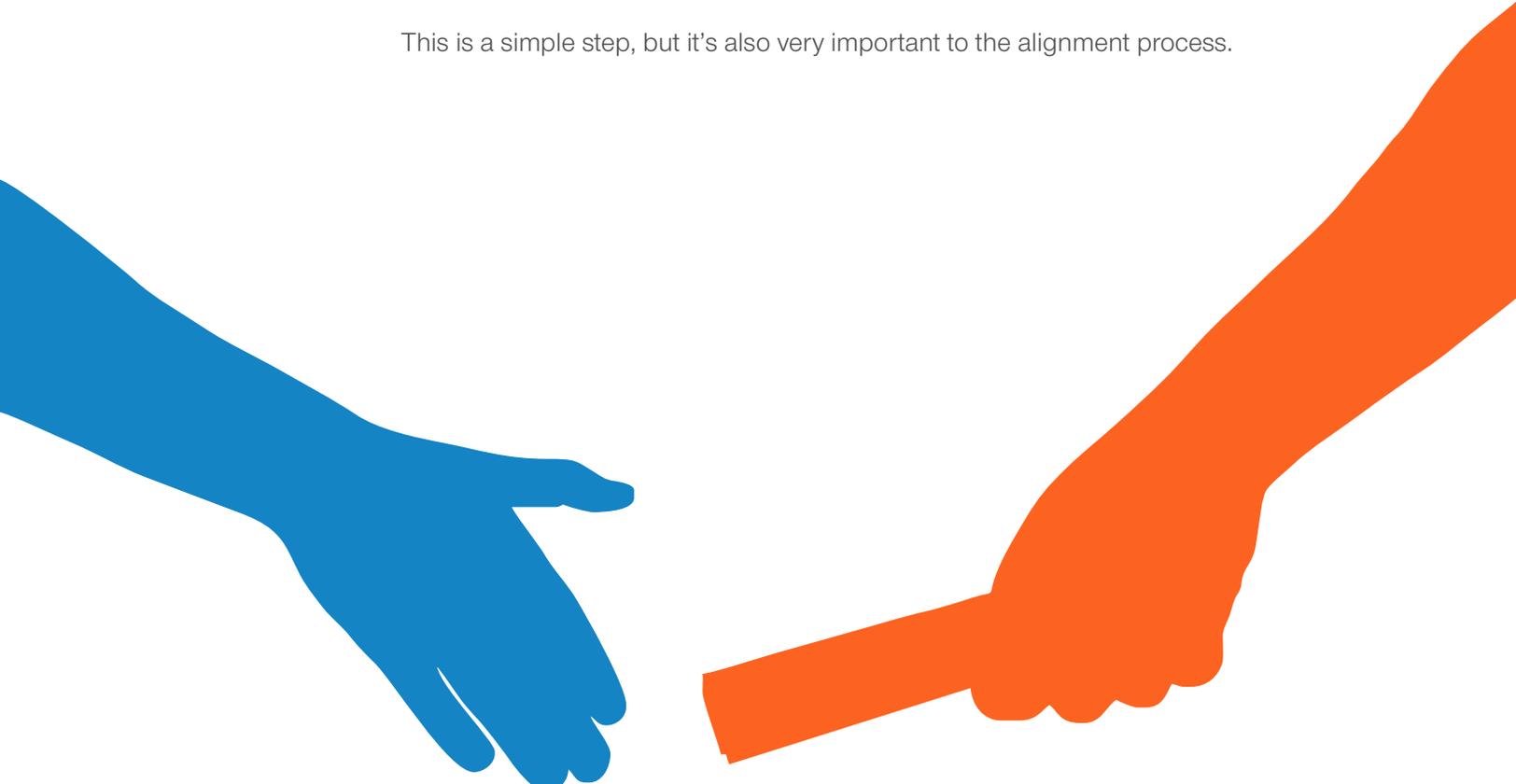
When you establish sales and marketing SLAs, you'll also want to establish a process for handing off leads to sales, and also for sales to establish a closed-loop reporting relationship with marketing. Focus on questions such as:

- Who receives leads from marketing?  
Will there be a single point of contact, or will leads go directly to individual sales reps?
- How will the sales team report rejected leads back to marketing?
- Which team members will serve as points of contact for questions or concerns about the lead process?

Companies with “dynamic, adaptable sales and marketing processes” reported an average of 10% more sales people on-quota compared to other companies.

-CSO Insights

This is a simple step, but it's also very important to the alignment process.

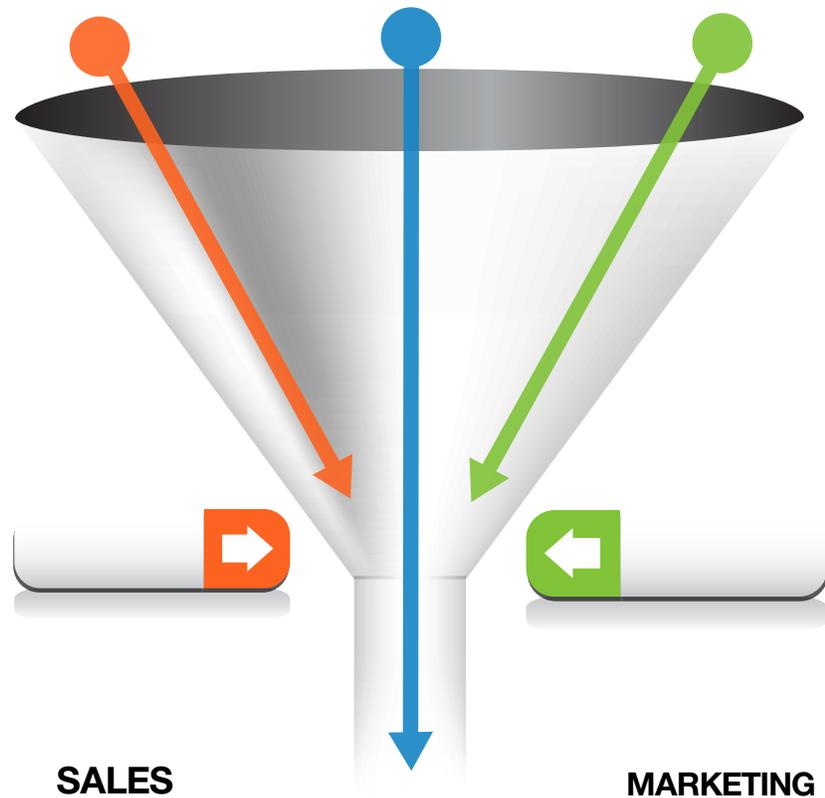


## Step 6: CREATE A SHARED PIPELINE

There's a big issue here that we haven't yet tackled: Many sales and marketing organizations treat their pipelines as separate processes. Leads get passed from marketing, and sales pursues those leads, but neither side really has much visibility into how the other side gets things done.

Many of the steps that we described above – common definitions, shared metrics, SLAs – are far more useful when your company treats its sales and marketing pipeline as a single, continuous process. Your sales and marketing teams will still have distinct responsibilities, from prospecting and qualifying at the top of the funnel to closing and maintaining relationships at the bottom. With a single pipeline, however, they'll also understand how each stage in the process works – and why each is important to the business.

Marketing automation technology can help you accomplish this goal, by giving your sales and marketing teams greater visibility into how prospects and leads move through the pipeline.



# Step 7: FOLLOW UP, REVIEW AND REFINE YOUR EFFORTS

Alignment is a lifetime process for any organization. You'll need to follow up on initiatives, track progress, create accountability, and ensure continuous improvement. With an emphasis on shared performance metrics and SLAs, your sales and marketing teams will have plenty of feedback on their efforts – and a lot of motivation to build upon their progress.

Start the review process by analyzing your teams' performances against their SLAs – including average lead follow-up times and the number of qualified leads passed from marketing to sales. You should also review conversion rates at key stages in your pipeline, since these are an excellent way to gauge the effectiveness of an alignment initiative. Finally, a regular analysis of major customer wins and losses can indicate where to concentrate your future sales and marketing alignment efforts.



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## ABOUT ACT-ON SOFTWARE

Act-On Software's cloud-based integrated marketing platform is rapidly becoming the foundation for successful marketing departments in organizations of all sizes. Act-On's highly intuitive user interface, complete online marketing tool set and affordable pricing starting at just \$500/month have enabled the adoption of marketing automation technologies without dedicated IT support.

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