C-SUITE PERSPECTIVE:

5 WAYS MARKETING AUTOMATION

Can Optimize & Grow
Your Business

act-on

Introduction

Like many of your executive peers, you may be hearing a rising chorus from your marketing team requesting additional budget so they can upgrade from an email solution to a marketing automation platform. That's no surprise. The benefits of marketing automation solutions for building brand, driving demand, and expanding customer relationships are now well established and adoption has been growing at an explosive rate. According to Emailmonday: on average, **49% of companies are currently using marketing automation, and more than half of B2B companies (55%) are adopting the technology**.

As a CEO, CRO, CMO, or CFO (let's call this the CXO for short), you have to be asking yourself – What's the urgency around marketing automation? Is it worth the investment? In this eBook we'll give you the basics of marketing automation and share five ways it will help you grow your business.

Before we dive in, let's level-set and talk about the changes in buyer behavior that have required marketers to reorient their engagement strategies and the role that marketing automation plays in managing the new buying process.

The Driver: A Massive Change in Buyer Behavior

No matter what industry you're in, buyer behavior has transformed over the past ten years, and the roles of sales and marketing have evolved in response. For illustration, let's look at a big-ticket purchase most of us have made – buying a car – and see how our own buying behaviors have changed.

A decade ago, if you were going to buy a car, you'd most likely look at ads in newspapers and magazines, read reviews in Consumer Reports, and call up a couple of friends to get their thoughts. Next, you'd visit a few car dealers, talk to sales reps, and create a short list. The sales reps would become your source of information and control your access to the product; they also worked to develop a relationship with you. Early in the process, marketing created your awareness and caught your interest with advertising and PR, but for the rest of the sales funnel, you were in the hands of the sales team.

The buying process has moved online.

Fast forward to today.

Once you've become interested in making a specific purchase, the buying process moves online. You'll use Google for in-depth pricing/value comparisons and reviews. Online ads may catch your eye. You might subscribe to a brand's newsletter or consult your social media network.

You – the buyer – have control and autonomy like never before. And you exercise it by doing your own research and developing strong preferences long before you interact with a sales rep. By the time you finally visit a dealer, chances are you're close to making that final decision. Sales needs to take you through only the last bit of the purchase process, from short-list to close. Heck – you could even conduct the whole car purchase process online.

The majority of the lead-to-revenue funnel is now the responsibility of marketing.

According to Forrester Research, the typical B2B buyer is anywhere from two-thirds to 90% of the way through the buying process, including qualifying vendors, before deciding to engage with sales. Forbes calls this "the disappearing sales process." The buyers are still in the funnel; it's just that the majority of the lead-to-revenue funnel is now the responsibility of marketing. Marketing has to rise to the challenge by creating the content that fuels the buyer's decision-making, and distributing it in new and different ways to engage that buyer.

Whether you're a B2B or a B2C company, this means reorienting around an entirely new buying process: Marketing now plays a much bigger role in moving your prospects through the purchase process. This is a huge shift from ten years ago.

What Role Does Marketing Automation Play?

Marketing's responsibility today goes well beyond the acquisition of net-new leads; therefore, marketing technology must support the marketer through all phases of acquisition, retention, and expansion marketing efforts.

Marketing is now tasked with getting leads most of the way through the funnel, to a well-timed handoff to sales for closure. In the course of this, marketing needs to engage with buyers more directly than before, for a longer period of time, and cater to niche interests. It's grown more labor-intensive. Marketing automation offers a way to build and manage relationships at scale – and let both sales and marketing see and touch those relationships across the entire customer lifecycle.

Build and Manage Relationships with Buyers and Customers

A typical automation platform includes email marketing and integrates automated programs that identify buyers, their interests and sales readiness, and enables effective tactics – such as lead nurturing, scoring, and tracking – that simply aren't feasible to do by hand. Marketers can engage prospects throughout the full spectrum of the purchase process, building personalized, trusted relationships along the way, and see clear indications of when the right time is to hand off to sales. Sales can see the buyer's interests and concerns, and will know how to enter an already-warm relationship with the right conversation.

But it doesn't stop there. Once the deal is sealed, marketing automation can be used to automate customer marketing processes. This can help reduce churn, improve customer satisfaction scores, and increase customer lifetime value.

Read the Data to Evaluate Channel and Campaign Success

Marketing automation solutions also integrate the management and measurement of marketing campaigns and channels (email, pay-per-click, search, ads, landing pages, social media, etc.) into one platform, so you can see which campaigns and which channels deliver results – and which are a waste of your precious resources. With the information this powerful set of tools generates, marketing automation can revolutionize your marketing, and it can change the way your entire organization operates.

Let's look at five areas of impact of particular importance to the CXO.

1. Improved Revenue Measurement & Management

There's an old adage about marketing: "We know half our marketing programs are working – we're just not sure which half."

A marketing automation solution integrated with your CRM solution delivers real-time analytics on campaigns, showing how leads are converting through the funnel. Depending on your CRM integration, you can see metrics such as which campaign touches have driven the most sales deals, plus revenue impact and what portion of revenue can be attributed to marketing.

In addition, employing **account-based marketing** (ABM) tactics to focus on an account rather than an individual lead can amplify marketing and sales efforts. ABM-enabled marketing automation platforms can help you use data analysis to pinpoint the right accounts to target; leverage research to find the right contacts inside an account; and use targeted, personalized, well-timed communications to engage those contacts as a group.

With an automation solution, marketing becomes accountable.

With best-in-class marketing automation solutions, your team gains a clear view into which accounts or series of campaign touches have driven the most sales deals. This helps your marketing team focus on fine-tuning a productive, repeatable process for increasing demand and top-line growth. The team can allocate budget to programs that work and defund programs that don't make the cut, ultimately lifting the company's bottom line.

2. Reduce Sales & Marketing Friction, Increase Trust and Results

Getting sales and marketing teams to work together is almost always a challenge. A recent article in BtoB reported that only 23% of sales professionals say marketers consistently deliver sales-ready leads; a **CEB study** showed us that 49% of surveyed sales reps ignored more than half of all marketing-provided leads.

Marketers and sales team members have historically lived in two different worlds. Sales has focused on pipeline and closed deals (one set of metrics), while marketing has focused on branding and lead generation (a different set of metrics). When sales targets were missed, sales blamed marketing for delivering too few qualified leads; marketing blamed sales for not following up with the leads they'd worked so hard to generate. Without shared goals, the teams often fail to cooperate or even agree on any metrics of "truth" as a basis for an objective situational analysis.

49% of surveyed sales reps ignored more than half of all marketing-provided leads.

(CEB study)

2. Reduce Sales & Marketing Friction, Increase Trust and Results (continued)

Marketing Automation Gives You the Power to End the Blame

The CEB study noted that 64% of salespeople say getting leads that were qualified according to criteria that sales had agreed on would give them more confidence about following up on marketing-generated leads. Marketing automation offers a structure for just such agreement. As an example, if sales and marketing together determine the values for scoring and agree on who is responsible for which steps of a nurturing campaign, these determinations can easily be codified into the automated process (which can be adjusted as results validate or disprove assumptions).

Marketing automation collects and integrates the data points, providing a more accurate, actionable picture of lead readiness.

Leave No Prospect Behind

This teamwork and accountability can also help ensure that no prospects get lost in a no-man's-land, the unhappy place where neither sales nor marketing are engaging with buyers. When prospects are in this limbo, your company has no chance to close the opportunity. Implementing marketing automation gives your team the power to close the door to that no-man's land – for good.

Sales and Marketing Roles in an Automated Nurturing Program

Key
- Marketing
- Sales

3. Improved Marketing Efficiency

As noted, marketing now plays an extended role in moving prospects to a closed sale. This means marketers have a broader set of responsibilities, including:

- Generating leads
- Managing leads at all stages of the buying process
- Ensuring good showings in search engine results pages
- Developing a content marketing strategy
- Creating content in multiple formats for multiple types of users
- Developing nurturing campaigns
- Distributing content across multiple channels
- Balancing earned, owned, and paid media
- Managing a wide array of social and digital channels
- Tracking and measuring lead to revenue metrics
- Tracking and measuring marketing's contribution to revenue
- Monitoring, measuring, and engaging social channels

The marketer may also be involved in advertising, public relations, or traditional marketing responsibilities around product marketing and management.

3. Improved Marketing Efficiency (continued)

Funding Marketing's Expanded Role

To meet these responsibilities, one could easily understand the marketing team banging on your door to request more money. That said, many companies have found that an investment in marketing automation produces enough gains in efficiency and/ or effectiveness to offset the budget required.

As an example, ten years ago, lead nurturing was done by a carefully spaced series of phone calls or visits from a sales rep. As marketing took over the process and automated it, nurturing was done by delivering carefully chosen content to targeted leads. The content was calculated to move the buyer through the buying process in a series of steps, answering the buyer's questions and positioning the vendor as trustworthy and reliable. Automated nurturing significantly reduces the number of manual touches needed to engage a prospect, reducing costs and increasing efficiency. It's a good investment of time and effort; according to Forrester Research, companies that excel at lead nurturing generate 50% more sales ready leads at 33% lower cost.

It's worth noting that many companies find that implementing an integrated marketing automation solution allows them to save budget by discontinuing point tools. Those point tools also usually collect data and store it in disparate silos, which makes it harder to analyze and act on. Marketing automation collects and integrates this data, attaching it to the activity histories of leads and contacts, providing a more accurate, actionable picture of lead readiness. This also lets marketers segment the database by characteristics, and gives the sales rep ready intelligence for the next phone call.

Your investment in marketing automation will pay off if you have a solid process to automate. For some companies, the acquisition of a marketing automation platform becomes a forcing mechanism, driving process development, and sales and marketing alignment.

According to The Annuitas Group, nurtured leads make 47% larger purchases than non-nurtured leads
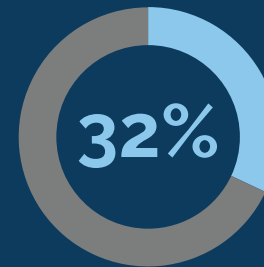
4. Improved Sales Efficiency

Revisiting the car purchase metaphor introduced earlier: Historically, when the prospect visited a car dealer, the sales rep would spend a lot of time learning about the prospect's needs, likes and wants, budget, and other cars they were considering. With this information in hand, a sales rep would try to fit them into a "right" car. This information-gathering soaked up valuable sales time, and if misunderstood or mishandled by the sales rep, could lead to a wrong conclusion...which could implode the deal.

Looking at today's modern purchase process, marketers using digital means can gather information about the prospect's needs and wants, which in turn provides sales reps with unprecedented insight into a prospect's interests and pain points. Consider that marketing has been engaging with the lead, building the relationship, and earning trust all through the nurturing process, bringing the buyer near to the point of decision-making. When the hand-off to sales comes, the rep knows exactly how to target their pitch from the moment they engage.

Imagine if that car salesperson greeted a prospect at the door, knowing their budget, which model they wanted to see, and which features of the car they were most interested in? It would be a shorter sales cycle, and a more productive one for both parties.
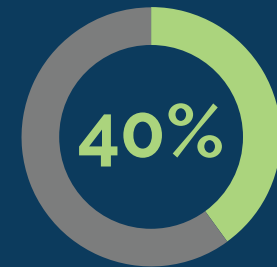
Marketing automation gives the sales rep insight into the customer's interests and concerns BEFORE they engage. That's power!

Marketing Automation Use after 1 Year

32%

Increased Revenue

Marketing Automation Use after <2 Years

40%

Increased Revenue

After one year of MA use 32% claim to see increased revenue. For those to have been using it for more than two years the figure is 40%.

(B2Bmarketing.net and Circle Research "Benchmarking Report Marketing Automation", 2015)
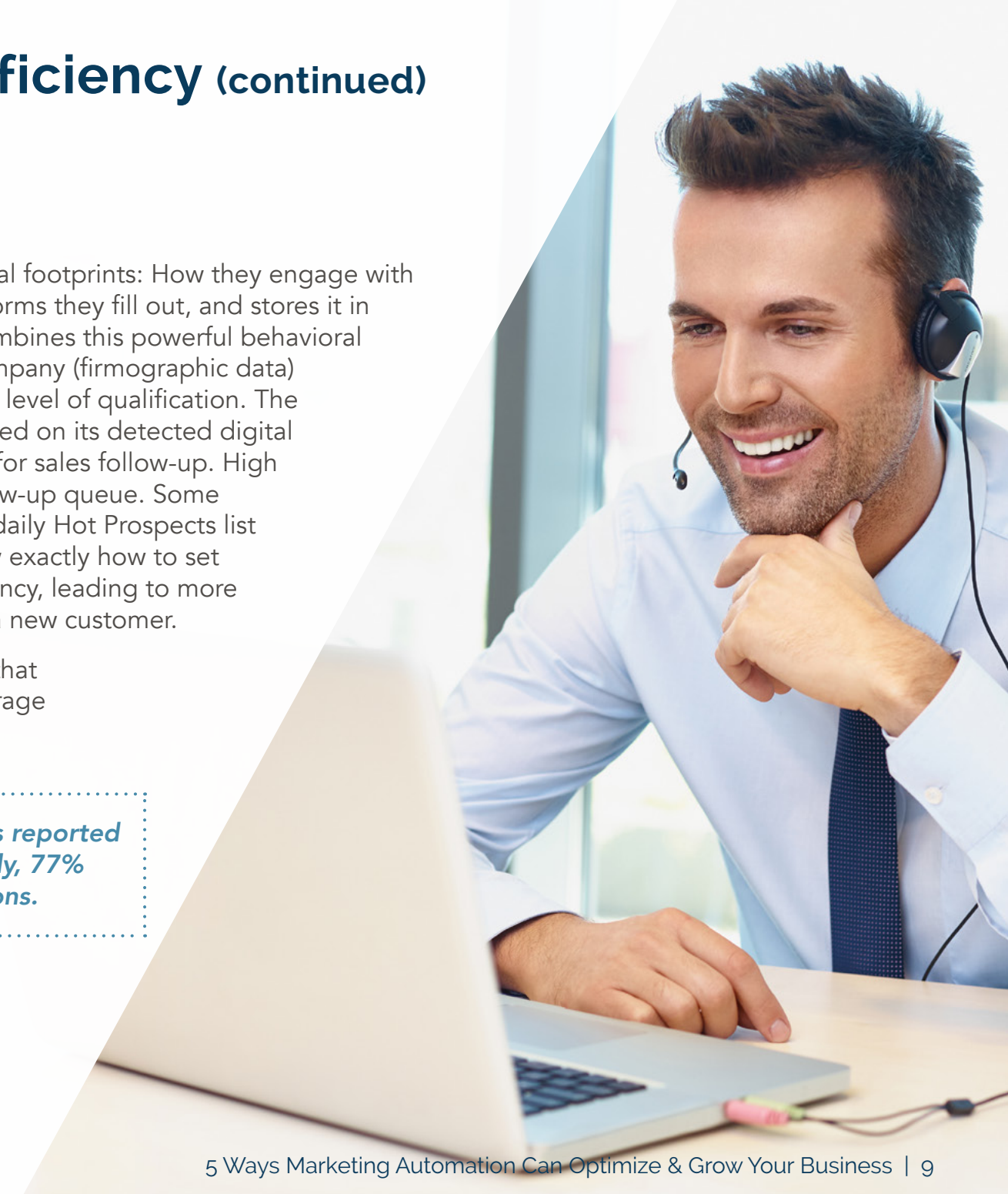
4. Improved Sales Efficiency (continued)

Lead Scoring Helps Sales Prioritize

Marketing automation tracks a prospect's digital footprints: How they engage with your emails, the web pages they look at, the forms they fill out, and stores it in the prospect's activity history. The platform combines this powerful behavioral data with information about the prospect's company (firmographic data) to score leads, assigning points based on their level of qualification. The premise is simple. If a lead has a low score based on its detected digital behavior and firmographic data, it's not ready for sales follow-up. High lead score? It goes to the top of the sales follow-up queue. Some marketing automation systems even deliver a daily Hot Prospects list of the highest scoring leads to help sales know exactly how to set their priorities. This increases sales reps' efficiency, leading to more closed deals while reducing the costs to earn a new customer.

According to Aberdeen Research, companies that get lead scoring right have a 192% higher average lead qualification rate than those that do not.

In 2015, 80% of marketing automation users reported generating more leads, and more importantly, 77% are seeing an increased number of conversions.

5. See How to Improve ROI

Marketing automation offers pinpoint real-time measurement and reporting. With this data at your fingertips, your team has the ability to measure ROI across various sales and marketing efforts. Should you invest in another pay-per-click campaign or hire a new inside sales rep? Advanced ROI reporting made possible by marketing automation enables you and your team to make sound financial decisions based on hard data instead of gut feel or emotion.

> "Understanding the customer journey across these touchpoints is essential to the success of any marketing program."
>
> **- LORI WIZDO**
> Forrester Research

Conclusion: Marketing Automation Helps You Meet Corporate Objectives

The buyer is now in charge of his or her own sales journey. With this evolution of the purchase process, the roles of sales and marketing need to reflect new realities; in order to meet your corporate objectives, this shift needs to be addressed.
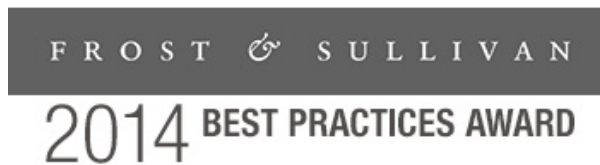
Marketing automation platforms can help tie shared goals and measurements of success together - and integrate this vision throughout the entire customer lifecycle. Marketing should be tasked with serving up timed, targeted content and building engagement to move prospects further through the purchase process. Sales takes the reins closer to close. The teams must share in the process.

Marketing automation has become a must-have solution to address this change, providing your team with the tools to revolutionize your marketing and sales organization for greater efficiency and return on investment.

Want proof? See the business results your peer companies get with marketing automation in these case studies.

Acclaim for Act-On

act·On

FROST & SULLIVAN
2014 BEST PRACTICES AWARD

Deloitte.
Technology Fast500

Inc. 500
2013, 2014, & 2015
FASTEST GROWING COMPANIES

Forbes 2013
AMERICA'S MOST PROMISING COMPANIES

LEADER in Forrester Research, Inc. report, The
FORRESTER WAVE
Lead-To-Revenue Management Platform Vendors, Q1 2014

See all of Act-On's awards & accolades...

About Act-On Software

Act-On Software is a marketing automation company delivering innovation that empowers marketers to do the best work of their careers. Act-On is the only integrated workspace to address the needs of the customer experience, from brand awareness and demand generation, to retention and loyalty. With Act-On, marketers can drive better business outcomes and see higher customer lifetime value. The Act-On platform provides marketers with power they can actually use, without the need for a dedicated IT resource.

Connect with us to learn more

www.act-on.com | @ActOnSoftware | #ActOnSW