

Data-Driven B2B Lead Generation

How to Create a Data-Driven Lead Generation Approach That Delivers Revenue

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IT'S TIME TO RETHINK LEAD GENERATION

Lead generation is the lifeblood on which most B2B businesses are built and sustained – but traditional techniques have become anemic when it comes to producing quality leads.

According to BtoBOnline, a whopping 70% of marketing budgets are currently allocated to new customer acquisition initiatives. While this underscores the importance of customer acquisition, IDC reports that a startling 61% of marketers find high quality lead generation problematic. *(See inset, below).*

There's a valid reason for this gap: Techniques and approaches to lead generation have completely transformed in the last decade.

With the explosion of digital channels, the abundance of information, the scarcity of attention and the buyer-in-control economy, it is imperative that marketers master new and effective ways to attract prospects.

Only then will marketers be able to close the gap and remain viable and valuable to their CEOs and businesses. According to IBM's Global CEO study, CEOs recognize new customer acquisition as the primary fuel for their businesses' future: 61% state that the number-one success factor is customer focus.

With the generally accepted rule-of-thumb that acquisition costs 5 to 7 times that of retention, the pressure is on for marketers to place "acquisition bets" wisely to avoid costly missteps, generate profitable ROI and optimize marketing budgets.

Why do marketers struggle with high quality lead generation?

Effective approaches now leverage data. The B2B Marketer's struggle with data lies in four key areas: (from the book, "Precision Marketing"):

- + **Inaccessibility.** Organizational silos can often create chasms between the stored data (in IT) and the place where data needs to be used (in Marketing). Thus it is often difficult for marketers to readily access data.
- + **Incomprehensibility.** Data volume exists in abundance. What's missing in most organizations is the skill set to extract the value from the data and interpret the insights that lie within.
- + **Inaccuracy.** The majority of organizations struggle with data quality. Siloed data, duplicate data records, the absence of clean data are all examples of inaccurate data.
- + **Inability to Act.** Other issues related to poor infrastructure, lack of expertise, inadequate technology or other challenges can also impede a marketer's ability to utilize data in quality lead generation.

A BRAND NEW WORLD

Digital capabilities and technologies have irreversibly and significantly redefined reality. The explosion of information readily available at a moment's notice is mind-boggling. How we create, share and communicate is completely different than how we did even a couple of years ago with the evolution of social and mobile technologies. **It is a whole new world.**

This abundance of information has created a shortage of attention. It is estimated that on average, we are exposed to 5,000 messages daily. As marketers, flourishing in this new world requires novel ways to gain the attention of others who are tuning out the cacophony. It's about being heard through the noise.

Cutting through this clutter requires relevance.

Relevance takes in-depth **understanding and insight**. The depth and breadth of information available to each of us, combined with the easy and instantaneous access to it, has created a tectonic shift in control from companies to buyers. Prospective buyers now self-educate. They use peer networks and online information to select where they spend their time, attention and future dollars.

Today, this means that marketing's role in lead generation – while completely altered from five years ago – is of paramount importance to successful customer acquisition.



In fact, both Forrester Research and Sirius Decisions state that, today, about 70% of the B2B buyer's journey is made anonymously in self-discovery mode with online content – not via direct marketing and sales interaction. Interestingly, the inverse of this was true just five years ago when 30% of the journey was marketing and 70% sales.

CUSTOMER ENGAGEMENT REDEFINED

Marketing's mission is to create and sustain customers. Marketers no longer "find" prospects to pass along to sales. Marketers need to earn attention, credibility and trust and cultivate relationships digitally until the educated, over-messaged and in-control customer is ready to engage and buy.

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In the past, marketing would broadcast messages and content via one-way communication to create connections. Today, marketing must employ new techniques to "be found" by prospects, and nurture them through a relationship via two-way conversations until prospects are ready to talk about buying.

Customer connection is about bonding, not branding. It involves a journey, where there are new and evolving rules of engagement.

Online conversations, digital content and peer-to-peer reviews now determine what gets attention and what gets ignored. This is how the journey starts and how it progresses.

Marketers must now earn their way into the conversation and build trust to continue the conversations with prospective buyers – remotely and digitally. Online content, SEO, social media, email, websites and other online tools help to create these connection points and construct places where prospective buyers are exploring and self-educating.

Digital continues to get a larger piece of the pie in B2B marketing budgets.

Marketers responding to ABM's survey saw a clear trend towards an increase in budgets for digital channels. For example, 45% expected to increase search engine advertising spending, while 43% foresaw an increase in mobile advertising, and 41% in sponsored whitepapers and newsletters.

Source: American Business Media survey. April 2013.

The growth rate for additional digital spending in B2B companies was 10.5% in 2012 and will grow 9.9% in 2013.

Source: eMarketer, October 3, 2013.

Data is the new differentiator for marketers and for businesses.

To be precise, raw data is not beneficial; it is the analytics that transform the data into actionable insights that deliver value. Let's take a more granular look at how data and analytics can transform into value at each phase of the company buying journey and help to catalyze a marketer's lead generation efforts.

USING DATA TO CONNECT WITH CUSTOMERS

Navigating this brand new and ever-changing world requires new tools. It's never been easier to be ignored, nor more important to be heard. Successful marketers are using one important element: data. Data helps marketers gain insights more quickly and create relevant, sustainable connections throughout the company buying journey.

Paradoxically, data-driven marketing is the vehicle that is creating emotional and creative connections that catalyze meaningful customer relationships.

Today, B2B marketing is a blend of science and art. Using rich, data-driven insights based on science is the foundation and enabler to producing more engaging, emotive and impactful art (i.e. messaging, creative, design).

Digital technologies enable data to be leveraged across a breadth of channels and provide rich insights into customer preferences, predispositions and behaviors. The insights can be gathered simply and quickly so that iterative learning and real-time, highly tailored adjustments can be made. This is how marketers avoid costly mistakes and learn valuable lessons to further customer engagement and connection.

Data

Organic Search

Paid Search

Display Advertising

Email Marketing

Marketing Automation

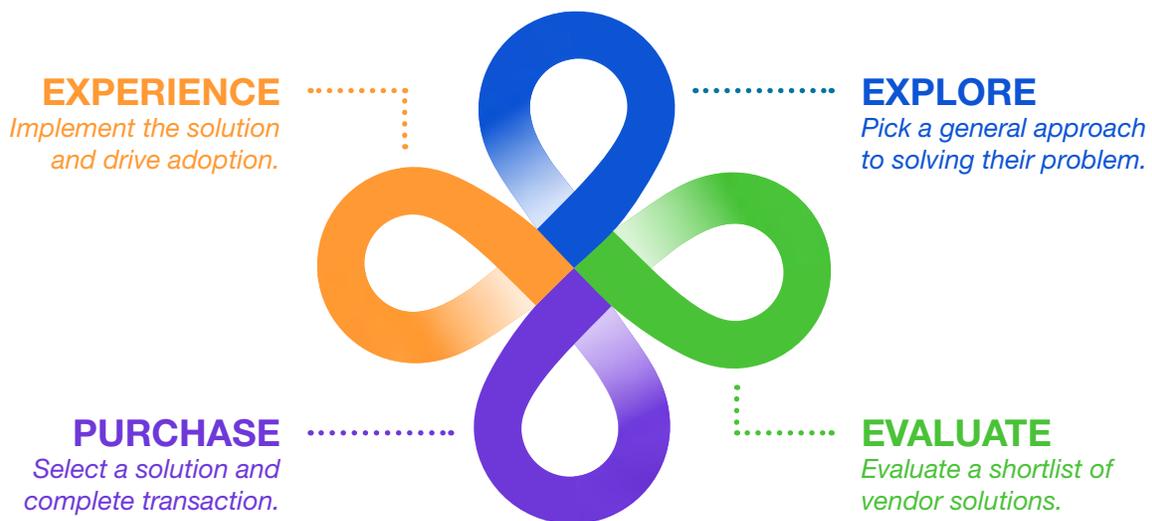
Social Media

Sales CRM Website

UX Creative

THE COMPANY BUYING JOURNEY

One straightforward expression of the company buying journey is mapped out on B2Beacon.com as follows:



Using data-driven analytics to understand prospects, guide content, focus efforts and deepen connection throughout this journey is the key to optimizing engagement and thus lead gen efforts.

(Disclaimer: the Author is a member of B2Beacon Advisory Council)

THE COMPANY BUYING JOURNEY

Explore

Exploration is discovery. Your prospects are searching for solutions to a problem they have and may not know very little about you. Providing easy to find and access content and solutions is your first opportunity to engage potential customers. While exploration typically occurs via online content and company website visits a large percentage of exploratory visitors will be anonymous. It is helpful at this stage to build the data foundation and connection points to identify anonymous website visitors on some descriptive level since many first-time visitors will be unknown.

Data considerations in the Explore Phase:

- + Capture known and unknown visitors
- + Connect internal data sources to consolidate, connect and manage information in one location (such as a data warehouse)
 - build more robust data profiles; streamlines process
 - help improve identification of anonymous visitors
 - help reduce duplicate records
- + Utilize tools to identify the companies of visitors and other demographics in order to map data points to anonymous profiles.



THE COMPANY BUYING JOURNEY

Evaluate

As a prospect moves into evaluation, having the right knowledge to tailor the experience can be the difference between a conversion and a defection. Prospects evaluate companies by engaging with online content and this provides extremely valuable insights garnered from actual behavior. Many visitors may still remain anonymous at this phase, so gauging content effectiveness and usability is key.

Data considerations in the Evaluate Phase:

- + Measure content effectiveness via clickstream activities, pages consumed, downloads, etc.
- + Capture usability and navigation effectiveness via conversion paths
- + Understand effectiveness of tactics via campaign codes, email open rates, clickthroughs, etc. and tailor accordingly



THE COMPANY BUYING JOURNEY

Purchase

The purchase phase is where customers are created, as prospects convert into buying customers. At the purchase phase, a more complete view of the entire customer journey is possible. Thus, it is important to capture all possible customer information and connect dots in a “look back” and “project forward” manner. In other words, it is now apparent which content and marketing actions are most likely to engage, connect and drive prospects to buy.

Data considerations in the Purchase Phase:

CRM and web analytic systems data points can now be connected. Utilize data to:

- + Look back. Use data to identify the most effective pieces of content and the journey through that content
- + Project forward. Use converted leads to help predict the personas, behaviors and content that will attract additional high potential prospects



THE COMPANY BUYING JOURNEY

Experience

Nurturing and sustaining “known” customers gives powerful insight to marketers. Connecting data points across all online and offline activities of the customer journey enable engagement on more meaningful and deeper levels. This is helpful for future customer acquisition/lead generation as well as customer retention.

Data considerations in the Experience Phase:

- + Capture customer call center/customer service data
- + Listen and analyze social media, direct feedback and online community sentiment
- + Track additional customer purchase behavior and activity



READY TO GET STARTED?

Lead generation is critical. Quality lead generation is elusive. By leveraging data – and taking a few baby steps forward, B2B lead generation can become a consistent pillar of B2B marketing success.

Start by understanding and leveraging data throughout the customer journey to translate marketing activities into the most valuable and fruitful ones – iteratively, quickly and based on an unbiased view of the facts. Smart B2B marketers use data-driven techniques to outpace competition and effectively engage, connect and convert with prospects and customers. Creating customers, after all, is the primary purpose of marketing. Effective lead generation enables marketers to do their job and show the resulting revenue.

START WITH THESE SIMPLE STEPS



Get Data Right

Implement the right customer data management capabilities for your company.



Know Your Customers

Leverage data to understand your customers' needs and mindset. Develop personas and a segmentation strategy.



Develop Strategic Plan

Develop your “Digital Connect Plan”.



Get Your House in Order

Be operationally able to execute - the right teams, processes, technology infrastructure, etc.



Develop the Right Content

Produce content that your customers need (and will enjoy).



Optimize Programs

Develop and execute integrated programs to connect your customers and your content.

For deeper insights and How-To Guides, visit B2Beacon.com.

CASE STUDY

COMPANY:

DIRECTV for Business

OBJECTIVE:

Produce high quality leads that drive sales via commercial customer acquisition.

ACTIONS:

Paid search, online display ads, email campaigns and landing pages were created and deployed with great initial response. However, lead conversion rates did not improve.

DATA-DRIVEN DISCOVERY:

A deeper analysis was conducted across Marketing, Sales and the Call Center. Two root cause issues were uncovered:

- + A Call Center physical relocation caused a significant portion of leads to be overlooked without follow-up
- + There were no standard practices/procedures for lead follow-up across the Call Center and Sales.

SOLUTION:

Established clear and specific lead response practice: number of attempts, channels, frequency, response windows and ownership.

Developed nurturing campaigns and email approaches to leverage the power of Salesforce.

Used real-time, iterative metrics to optimize paid search and boost conversion rates.

RESULTS:

Improved conversion rates by **30+%**
Increase average account quality score from **3.1 to 7.4**
Increased click-through rate by **68%** while cost per lead decreased **45%**.



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ABOUT THE CONTRIBUTORS



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Sandra Zoratti is an award-winning author, speaker and accomplished business leader. She was honored with the Colorado Business Marketing Association's Marketer of the Year, 2012. Sandra is a sought after speaker, social media influencer, and business expert because of her real-world experience in successfully building, growing, launching and marketing new business opportunities around the world. Recently, Sandra built and launched the data-driven marketing practice called "Precision Marketing" from the ground up and has numerous proof points of its' success around the world using insight-driven targeting, content and metrics as chronicled in her book on the topic. (Amazon: Precision Marketing: Maximizing Revenue Through Relevance.)

Sandra's career includes experience at blue chip technology leaders such as IBM, Westinghouse, Ricoh and Avery as well as setting up her own marketing practice. She has a Bachelor's degree in Chemical Engineering and a Masters in Business Administration. You can find Sandra on LinkedIn, Twitter, Google+ and her website sandrazoratti.com.



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Rich has over 20 years of experience in planning, building and managing cutting-edge integrated marketing programs for some of the smartest companies in the world. His career balances senior agency roles and senior client-side roles. On the agency side, while at BusinessOnline and Grey Interactive he worked with world-class brands including HP, NetApp, Intuit, Dell, Honeywell, and Sybase. On the client side, he has been a CMO or VP Marketing for big online brands such as CNET and ZipRealty and for start-ups like Zing, Callwave and SendMe Mobile. This gives him the unique ability to deeply understand his clients' needs and to ensure that the agency delivers on meeting these needs.



ABOUT BUSINESSONLINE

BusinessOnline is a performance-driven digital marketing agency and our data-driven approach sets us apart. We glean valuable insights from large sets of multi-source data and then use these insights to:

Drive more qualified traffic + Convert that traffic to leads + Shorten the Sales cycle + Increase revenue

We tie Marketing activities to revenue. This enables us to maximize ROI by conducting deep optimization and focusing budget on what's working across all digital activities:

SEO, Paid Search, Display, Social Media, Email, UX, Marketing Automation, etc.

Ultimately, we deeply understand your customers. This allows us to align your marketing programs with your customers' needs and thereby create the best opportunity for you to be found and engaged.



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