

## Demand Generation:

### 3.1 | Expanding Our Definition



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### Introduction

There are many white papers, blogs and forums that discuss demand generation programs. Many offer advice about the merits of using one automation system over another or the tactical benefits of this over that to boost response rates.

Their initial standpoint is that B2B marketers understand what demand generation is and know how to plan their programs, but this may not always be the case.

*This series of white papers (3.1-3.4) has been written for those marketers who may need some planning guidance; to shed some light on the key stages that they need to consider before any tactical activity takes place.*

*This, the first in the **Demand Generation** white paper series (3.1), will lay the foundation by Expanding Our Definitions, including:*

- ▶ What Is Demand Generation?
- ▶ More than a Tactical Consideration
- ▶ Objective Setting

## | What Is Demand Generation?

So let us start by defining what demand generation is.

Like anything that requires a definition there are many to choose from, so it makes sense to quote from one of the leading experts in this field.

Adam Needles, Vice President of Demand Generation Strategy at Left Brain Marketing, explains it thus:

**“...demand generation is not merely about getting a prospect’s attention; rather it is about incubating a prospect with the information (s)he needs to move forward until (s)he is at a stage where that prospect is ready to speak with a sales representative. It is also about helping to convince a prospect — before (s)he talks to a sales representative that your product/solution should be on their shortlist, if not top choice...it is a holistic activity that spans the buyer life cycle. It’s not just a single tactic at the top or bottom of the marketing and sales funnel. It’s the art of educating buyers and nurturing these relationships from earliest awareness to monetizing initial demand; it’s also about growing that demand among current customers. It’s the whole thing...”**

Reading Adam’s definition underlines the importance of getting your demand generation program right, simply because there is so much at stake. It also stresses that there is much more to this than just lead generation.

**“It is better to have it and not need it than to need it and not have it.”**

*-Gerard Patrick Roeling, Marketer*

## | More than a Tactical Consideration

Clearly this refers to strategy, but on more than one level.

**First, there is the direct link between demand generation and sales revenue.** When reviewing the revenue line on their trading statements, senior management now think about the contributions that both sales and marketing make, as well as how they work together to meet revenue targets. This is a strategic issue and one which represents a real juxtaposition in the way marketing is regarded internally — not as a cost, but as an **investment to the business and a contributor to its revenues**. Importantly, this also presents marketing with a much stronger position when negotiating budgets at the end of the year.

Secondly, there is the strategy behind the demand generation program itself.

As mentioned earlier, demand generation is not just about the tactics employed to achieve a specific outcome, but a more holistic approach to building and nurturing relationships with prospects through to an initial sale (and beyond). It is important at this stage to put into context the importance of the marketing and sales relationship. **All the planning in the world means nothing without trust, understanding and engagement — and from the highest level.** Rules and definitions need to be agreed to maximize every opportunity to meet and exceed revenue targets.

## | Objective Setting

There needs to be clarity in what you are trying to achieve, in order to plan the right route(s) to get there. Things to consider include:

### What is a Sales Opportunity?

This needs to be agreed by both sales and marketing from the outset, as failure to do so may impact on their relationship and ultimately, how they deliver against their target revenues.

At the first stage of transition, however, there should be an understanding of **marketing qualified leads (MQLs)** — those that marketing believe are ready to be contacted by the sales person. Qualification will be judged by how closely these leads match the ideal prospect profile, the depth of information known and levels of activity during the nurturing process (for example, white paper downloads, website visits, webinar registrations etc). The second stage of transition, referred to as **sales accepted leads (SALs)**, occurs once **budget, authority, need and timescales (BANT)** have been identified and validated. Sales then take ownership of the lead.

**“All men can see these tactics whereby I conquer, but what none can see is the strategy out of which victory is evolved.**

*—Sun Tzu,  
Chinese General*

**“Failure comes only when we forget our ideals and objectives.**

*—Jawaharlal Nehru,  
Prime Minister India  
1947-64*

How many sales opportunities would marketing be expected to deliver (over a defined time period) for sales to meet their conversion targets?

This may be an estimate if no historical or buyer-related information exists, or if a new market is to be targeted (at this stage, they are referred to as **sales-accepted leads (SALs)**). Where data does exist, both marketing and sales should be able to forecast a realistic number of sales opportunities to be delivered.

## | Summary

Starting any marketing effort requires a strong foundation. It must, however, be viewed and treated as a growth strategy and an investment in your business. Tactical considerations will come in time, but starting with clear and agreed upon definitions, success measurements and expectations must be in place first. Do this first and do it right, and you'll be well on your way.

*Please check out all of the white papers in our **Demand Generation** series (3.1-3.4). Next in line (3.2) we will discuss planning effectively.*

## | About StratMarketing Group (StratMG)

With 95%+ in customer satisfaction ratings and 100s of projects, our proven methodology has successfully generated more than \$100M+ in sales for our industrial manufacturing customers. We help build deep and meaningful relationships with their prospects and customers which in turn is a catalyst to organic sales growth.

We consistently exceed objectives by leveraging complex technologies and analytic methodologies to deliver simplified sales, faster. Our methodology breaks the process into three main categories:

- ▶ Make Customers
- ▶ Manage Customers
- ▶ Monetize Customers

## | Specialties

Demand Generation | Marketing Automation | Go-to-Market Strategy | Marketing Operations  
Marketing Services | Marketing Strategy | Lead Management | Lead Nurture  
Database Marketing | Sales-Marketing Alignment | Lead Qualification

## | Let's Talk

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