

Demand Generation:

3.4 | The Rules of Engagement



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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 fourth and final in the **Demand Generation** white paper series (3.4), reviews the rules of engagement, including:*

- ▶ The Customer Buying Journey
- ▶ The Role of Digital Media
- ▶ Lead Nurturing and Scoring

The Customer Buying Journey

Research by former sales trainer Robert Jolles for his book, *Customer Centered Selling*, indicates that “B2B buyers spend 79% of their time in the earliest portion of the buying process”. In other words, they are aware that they have a need, but may not have started searching for a solution. In addition to knowing where a customer is in the buying cycle, you will need to understand the information they are looking for and how they want you to communicate with them. These are key factors when considering your engagement strategies (see the table below). By mapping this information with relevant content, you can engage with the customer early on and on their terms.

“A satisfied customer is the best business strategy of all.”

*-Michael LeBoeuf,
Business Author*

Interest	Learn	Evaluate	Justify	Purchase
Search Begins	Solutions Identified	Solutions Evaluated Against Needs	Short List Assembled	Selection Made
QUESTIONS				
1. Who are the suppliers for my need? 2. What's the scope of potential achievement? 3. Where do I stand? 4. How can I easily find out more?	1. What do they offer? 2. Are their customers achieving success? 3. Do they fit my need? 4. How can I easily evaluate/demo?	1. Do they meet my expectations? 2. What do analysts say, are they a leader? 3. Is Company viable? 4. How do they compare? 5. Why should I choose? 6. What's the cost?	1. Leading, solid product/company? 2. Recommended by customers and analysts? 3. Meets or exceeds my need? 4. Can afford to buy & implement?	1. How can I easily purchase? 2. Can I purchase via Web site? 3. Who can I call? 4. Do they have a partner in my area? 5. Why buy now?
EXPERIENCE				
1. eMail & Web 2. Seminars 3. Podcasts 4. Social Media	1. eMail & Web 2. Podcasts/Seminars 3. TM Calls 4. Social Media	1. eMail & Web 2. Social Communities 3. TM/Sales Calls 4. Seminars	1. eMail & Web 2. Customer, analyst references 3. Sales calls	1. eMail & Web 2. TM & Sales Calls 3. Partners
CONTENT				
1. Industry white papers 2. Company product white papers 3. Customer stories 4. Assessment tests 5. Press releases	1. Company white paper 2. Seminar Pres 3. Product spec sheets 4. Customer stories 5. Flash Demo 6. Ind/analyst reports 7. Educational Tips	1. Features/Benefits 2. Gartner Quadrant 3. Fin. Press Releases 4. Competitive & Cost Comparisons 5. Product Awards 6. Seminar Pres	1. Product customer reference site 2. Product Awards 3. Customer stories 4. Press releases 5. Seminar Pres	1. 1800# provided 2. Company.com product 3. E-Shop product 4. Partner locator? 5. Promotions or deals?

Campaign Management: Planning

| The Role of Digital Media

More traditional methods of engagement, such as events and direct mail, still have their place but customers are no longer willing to wait until information is pushed to them. To that end, they often prefer to use digital channels to search for relevant information at their own convenience. From the marketer's perspective, digital options, such as webinars, email newsletters and white papers, provide excellent opportunities to not only engage, but also to collect valuable insight and demographic information from prospective buyers.

Digital channels, and most notably social media, are playing an **increasingly important role** within demand generation programs. In fact, there is evidence to suggest that **social media can pay serious dividends when integrated as part of a company's promotional activity**.

SiriusDecisions* recently published their own findings on engagement via social media. They found that while social media can be highly beneficial on the one hand, if not managed well, it could also be unproductive. Here are some of the key points:

- ▶ Nearly 80% of B2B organizations are only applying social marketing at the top of the funnel.
- ▶ B2B organizations that integrate social media into their demand generation programs report a 32% increase in campaign responses.
- ▶ B2B organizations that use social media throughout the demand creation waterfall report up to a 40% increase in closed deals.
- ▶ B2B organizations are losing up to 30% of an individual's productivity when multiple staff are using social media in an uncoordinated way, to say nothing of the mixed marketing messages and dilution of brand that occurs.
- ▶ Only 21% of B2B organizations are using social media throughout the nurturing phases of longer sales cycles.

What Does This Mean?

First, if you want to use social media, you will need a strategy. What is the purpose? Who should manage it? How will it be used for customers at different stages of the buying cycle? How will it fit with other promotional activity and how are customers expected to respond? How could getting it wrong affect your brand? Second, companies that use social media and have seen increases in responses and closed deals, recognize that it is probably most effective when used in conjunction with other communication channels.

“Our business is about technology, yes. But it's also about operations and customer relationships.

-Michael Dell,
Founder Dell Inc.

*SiriusDecisions, a research and advisory service

Lead Nurturing and Scoring

The concept “people buy from people” is one that many sales people will agree with, especially as customers tend not to buy from people or companies they do not like. **Effective sales people get under the skin of their customers’ businesses.** They do this by building relationships; understanding their respective markets, their needs, their competitors, what their objectives are and how they intend to meet them. Marketing tends not to have one-to-one relationships with customers, but the importance of carefully crafted nurturing programs should not be ignored. Your engagement strategy should not only convince customers that your products should be on their short-lists, but also help to move them towards a sale.

Each interaction and subsequent response should then be scored.

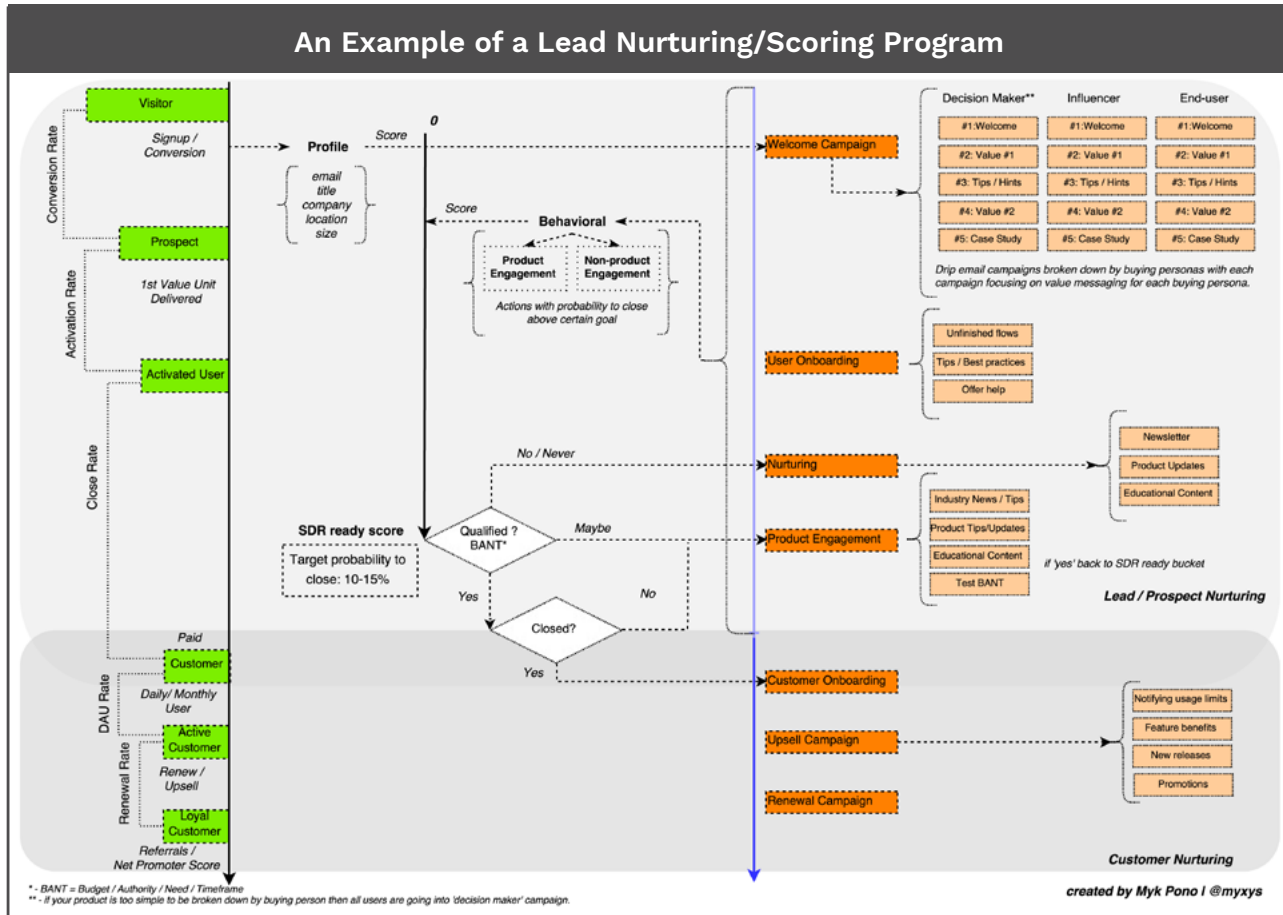
By doing this, you will be able to gauge whether a customer should move to the next stage of the nurturing program. In addition, you will determine how little/much marketing resource should be allocated to each customer, relative to their “value” to the business. An example of lead scoring could be based on profile fit and level of engagement:

Customer Profile Fit	Level of Engagement
A =Target Fit (BANT Qualified)	1 =Showing Buyer Interest
B =Potential Fit (Nurture)	2 =Showing Some Interest
C =Not High Enough Right Now	3 =Not Enough Information
D =Not a Fit at All	4 =Inactive

In this example, the customer profile fit is matched with the level of engagement, which in turn determines the appropriate level of marketing activity. By monitoring levels of activity, the scoring program can be adapted accordingly. For example, some customers could be fast-tracked if they exhibit an above-average level of activity in a short period of time.

“There are only two kinds of people who are really fascinating; people who know absolutely everything, and people who know absolutely nothing.”

—Oscar Wilde
Poet and author



An important point to note is that the nurturing process should not end when prospects become paying customers. There still has to be three-way communication between marketing, sales and the customer to ensure that they remain just that — your customer!

Summary

So, what will ultimately lead to effective demand generation? Here are the key takeaways from the four Demand Generation white pages:

- ▶ Have a strategy — given how important demand generation will be to your business, it is vital that time is taken to plan how you intend to get your customers' attention, engage them at each stage of the buying cycle and persuade them to buy from you.
- ▶ Understand the buyer and the buyer behavior — what they need, how they will go about finding a solution and how can you help.
- ▶ The relationship between marketing and sales is vitally important — defining the roles for each function and establishing the most productive ways to work together. Disharmony, poor communication or failure to work towards the same goals will impact on potential revenues.

- ▶ Nurturing the relationship between you and your customer — a role which marketing must drive, ensuring customers are both educated and engaged throughout the nurturing program.
- ▶ Understanding the importance of interaction — sales and marketing pulling the right levers at each stage of the nurturing program to convert interest into actual revenue.
- ▶ Test, test and test again — inevitably, some activities will be more successful than others, so the key is to not be complacent. Given that customers will respond differently to different things, creating vanilla campaigns seldom work.

While revenue is an obvious outcome from a successful demand generation program, there are other benefits too. The enduring relationship with the customer, maximizing return on investment, senior management recognizing marketing's value to the business, a fruitful relationship between sales and marketing and the awareness created for your company/brand throughout the whole process. Moreover, digital media has established a wide variety of inexpensive, yet effective channels through which to communicate.

*Please check out all of the white papers in our **Demand Generation** series (3.1-3.4).*

Sources:

Robert Jolles: *Customer Centred Selling*

mardevdm2: *What customers want webinar—Understanding the sales and marketing process*

SiriusDecisions: *Driving sales and marketing alignment—B2B social media by the numbers*

“We should really love each other in peace and harmony, instead we’re fussin’ n fighting like we ain’t supposed to be.”

*—Bob Marley
Singer/songwriter*

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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