

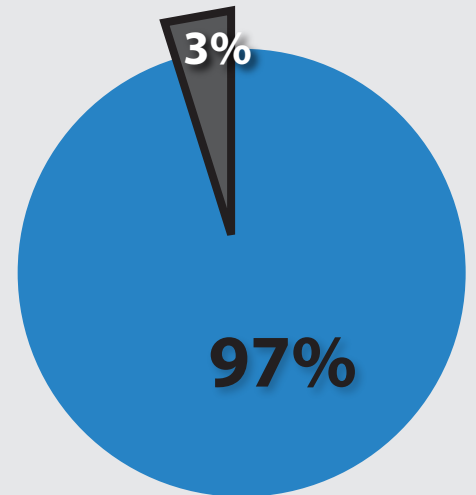
The Case for Marketing Automation

White Paper

The Case for Marketing Automation

Abstract

How many times has a lead been generated by marketing and handed off to sales only to hear later, from sales, “That lead wasn’t qualified!” It is a pain-point nearly all companies experience because roughly 97% of site traffic is not ready to buy. You need your sales team selling to the three percent who are ready to buy, but it really isn’t scalable for marketing to manage and nurture these less-ready leads either. Lumping the less-ready leads into a mass communications list is a commonplace practice, but it really does little to inspire or nurture leads through the pipeline. This paper will explore the reality of early-stage web traffic, the need to court such traffic efficiently and the different ways to accomplish such tasks.



1. All web leads are not created equal.

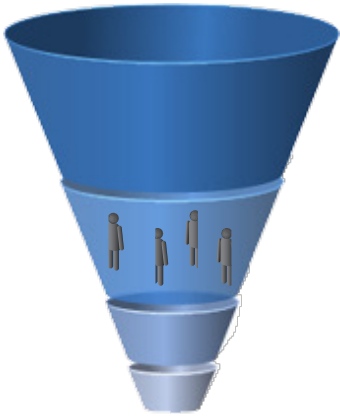
It is useful to first examine the state of website generated leads and where they are in terms of sales-readiness. Website traffic can enter your site from a variety of sources: paid search, organic search, word-of-mouth, referrals, online and offline advertisements, etc. But how many visitors are truly qualified—in other words, who is close to the decision-making stage? Some might truly be interested in your products and services while others may be competitors, researchers or plain, old-fashioned looky-loo’s. If you told your sales team to pursue every visitor as a lead, would it be a good use of their time?

Even if a visitor completes a form on a business-to-business (B2B) website, there is not a guarantee that they are a legitimate prospect because he/she may be required to provide contact information to download a particularly informative white paper or webinar. With more people turning to the Internet for research instead of traditional publications such as newspapers and magazines, your site traffic may increase while the level of viewer engagement stays the same.

This differential between a qualified B2B lead and an early-stage prospect can be likened to buyer versus a shopper in a business-to-consumer model (B2C). Last year, shopping cart abandonment rates were reported between 45-60% (depending on the reporting agency). That means one out of every two shoppers did NOT become a buyer! Comparison shopping, shipping rates, confusing checkout process or wanting to buy the item at a brick-and-mortar location topped the list of reasons for such a high percentage. Keeping these B2C statistics in mind, even though the site visitors were qualified enough to get to the checkout screen, about half did not become an actual customer.

What's more, according to a June 2009 article posted on FutureNow, Inc., on a typical website 3% of visitors are buyers and a whopping 97% are distributed among potential buyers and unqualified traffic. To think that 97 out of every 100 visitors are not qualified for immediate attention from sales, but could be qualified to re-enter the pipeline at some time in the future, is a paradigm shift from website marketing approaches of the past.

2. If an early-stage lead falls in the forest, who hears it?



As marketing gains a better understanding of website traffic that is too premature for a sales cycle, they face the task of deciding what to do with these early-stage leads. Clearly, utilizing the sales team's time is not a smart use of resources, yet leaving those leads unattended and routed into the CRM tool or database is "leaving money on the table." As we all know, sometimes the sales process often takes months, if not years, and without informative communications, your business won't be top-of-mind.

So these less-qualified leads fall into an abyss—they really shouldn't be sales' responsibility (you need sales closing that 3%), but marketing departments are already stretched thin. Feeling the heat from management and sales to produce marketing collateral, organize marketing campaigns, execute tradeshow plus support any other initiative du jour is already a full-time job. It is also noteworthy to consider the current economic landscape where every employee has been asked to produce more results with fewer resources.

One commonly employed approach to this challenge is the creation of an "unqualified" or "cold" lead status in the company's CRM tool or database. It is a sad moniker to have attached to your record indeed because the lead's information has been deemed reliable enough to keep in the database but judged unworthy of any further efforts from sales. So these "coldies" receive a quarterly newsletter or press release and are otherwise left alone.

The list's unsubscribe rate will remain rather low as the members aren't overwhelmed with communications but the open and click rates will also stay woefully low because they just aren't engaged. Eventually, these members will change their job or email address, subsequently bounce in an email campaign and be removed from the list. This cold lead's lifecycle is a sad fate for someone who, at one point in time, actually expressed interest in the company by virtue of a web-based form or shopping cart.

Having made a solid case that this 97% deserve better consideration than being ignored or pushed into a mindless cycle of sporadic communications, identifying the solution becomes the focus. One idea would be to segment the database according to email statistics—move opens into one list, clicks into another and non-responders into a third spreadsheet. These lists could receive regularly scheduled communications and filtered into lists according to their respective actions.

“Mass marketing techniques are outdated. We are in an economy of attention where consumers are choosing which messages are most appropriate for their inbox or mobile device.”

--Aberdeen Group,
January 2010

Does anyone spot the inherent problem with this solution?

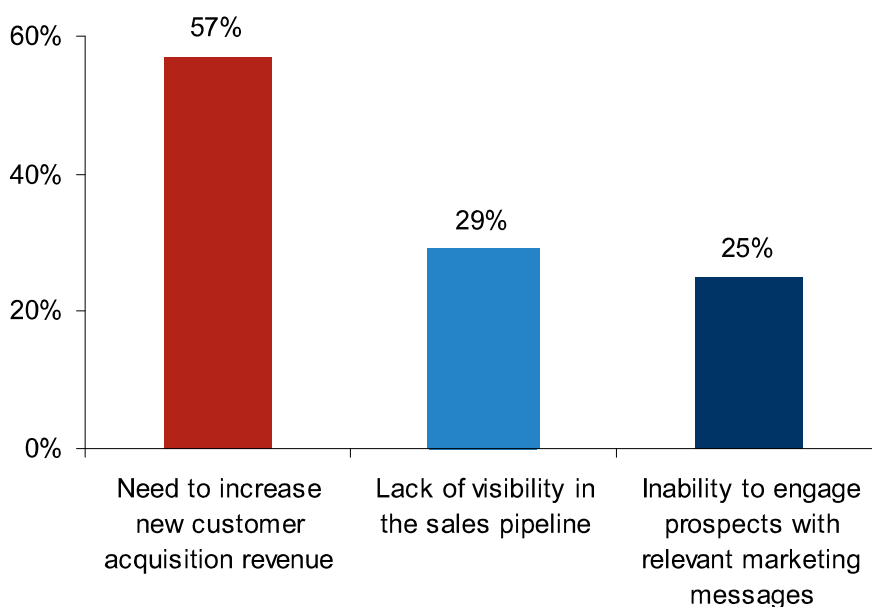
The problematic aspect is not due to the logic of this proposed list-keeping solution, but rather the manageability of such a task. Envision the manual workload of emailing, sorting, compiling and sending to these lists. It would be hard to imagine such a solution would have any longevity due to the sheer time burden on those responsible for execution.

Certainly easier—yet no trivial investment—would be to create a custom email program that could help streamline the email communication process. By adding logic-based processes, list members could receive specific communications. While this approach would doubtlessly work better than the manual list-sorting idea, it is difficult to allocate internal IT or programming resources to such projects. Even after the email automation program has been built, it will require continual maintenance to ensure it can sync with your CRM tool and stays current with any new email deliverability standards or CAN-SPAM changes.

3. What about marketing automation (MA)?

With these concerns about manual database maintenance or building a solution in-house, it may make sense to consider marketing automation (MA). Simply put, marketing automation is a technology platform that can identify, score, qualify and nurture prospects by automated processes and drive revenue using trigger-based, multi-touch communications. While this definition is entirely accurate, what does it really mean in layman’s terms and how does marketing automation relate to romancing that 97%? Rather than manually loading, segmenting and sending emails to specific lists, MA platforms do much of the heavy-lifting and manual labor for you. Here are a few examples of that all-important 97% to help you understand the true power of marketing automation.

Top Reasons Driving MA Adoption



Source: Aberdeen Group, January 2010

Scenario 1: email newsletter for software company

This email typically contains company news, product features, case study, etc. and it is approached as a one-off initiative. In other words, you will create email content, load it into your email service provider (ESP) and send it to the database. You will likely report on the meaningful statistics such as opens, clicks, bounces, unsubscribe, etc. but take no other actions besides the send itself.

Utilizing MA allows you to launch the same e-newsletter campaign with certain logic components

and actions built into it. For example, every recipient who clicked on the company news section will receive a second email in a specified length of time that details more company information and news. Recipients who clicked on the product update could receive a follow-up email that includes a case study referencing a client who is using the new features. Additionally, those who received the e-newsletter but didn't respond could receive communications with a tone of "let's reconnect."

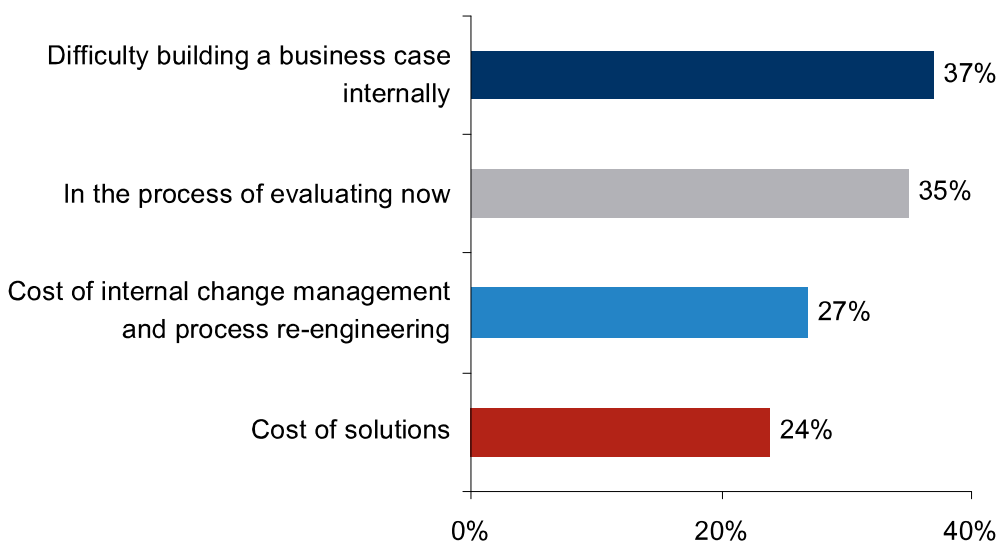
The key takeaway here is these recipients aren't getting a batch-n-blast, one time email. Rather, they are receiving relevant communication customized to their actions. This personalization makes communications so much more engaging because they are based on the recipient's level and area of interest—the feeling of 1:1 communications executed on a scale of 1:many.

Scenario 2: cart abandonment at an outdoor-store online retailer

In many e-commerce models by the time a shopper leaves his/her cart at the checkout screen, the shopping cart platform has captured that person's contact information. Let's assume a viewer added a tent to his cart, left the page and did not return. As part of an hourly, daily or weekly sweep, the database admin can log into the e-commerce site and see who has left their shopping cart. Using a traditional ESP model, the admin can then compile the names and send the tent-abandoner (and all others) a generic follow-up email that invites him to return to the site and complete the purchase.

With MA, the admin can take the follow-up email several steps further without increasing his manual workload. Examining the same tent-abandonment scenario, the admin could have an automated and specific email set for anyone who abandons a cart with that particular product in it. So if the viewer abandoned a Kelty tent, he would receive an email with an incentive to purchase a Kelty product.

Barriers to MA Implementation



Source: Aberdeen Group, January 2010

Or, he would receive an email with the latest tent specials. As you can see, the possibilities are numerous but one fact remains the same—by using MA, the site admin can send more relevant follow-up emails without adding bulk to his manual processes. With inboxes becoming more and more cluttered, these relevant and personalized communications to stand out in a sea of generic emails.

4. Marketing automation - smarter, easier and more affordable with Net-Results.

The features and benefits of marketing automation sound fantastic but you're likely thinking only the big guys can afford such tools. After all, many marketing automation companies charge expensive set-up fees in addition to very steep monthly premiums. Net-Results believes companies of all sizes can truly benefit from MA and has developed a platform that is...



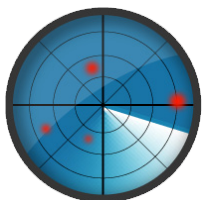
Straightforward

In order for a tool to work, it must be easy to you to use on a daily basis. Account set-up is quick (think hours) and the introduction demo is equally streamlined. Once you begin using the platform, you'll find that the tabs are clearly marked and the functionality makes sense. Net-Results still believes in good old-fashioned customer service and the account managers really understand your account.



Full-Featured

You may be thinking that a MA platform that is so easy to use might be a stripped-down MA tool or nothing more than a glorified ESP. Not so with Net-Results. From lead scoring and visitor alerts to conditional statements and multi-level nurturing campaigns, Net-Results strives to provide all of the features and functionality you need in a MA tool.



Engaging

By using Net-Results, you can shift your paradigm from a batch-n-blast communications model to one that considers each of your prospects at an individual level, rather than a nameless, faceless group. The more you customize and personalize communication, the better the prospect's engagement—and the results.



Affordable

As an emerging technology, MA has been priced at a premium and reserved for those with money in the budget. Net-Results is determined to bring the benefits of MA to companies of all sizes and budgets with a pricing model based on platform usage and site traffic. Net-Results does not believe that one-size-fits-all, and therefore does not price according to that notion. Moreover, Net-Results does not hold clients to long-term contracts or charge exorbitant set-up fees.



Net-Results has changed the culture of how my company manages and fosters prospects and leads. No more cold calls in our organization, and the leads my salespeople get from our marketing team utilizing Net-Results' platform are more qualified than ever before. Our time to revenue has been cut in half."

-- Mike Kast, Cooling Tower Depot

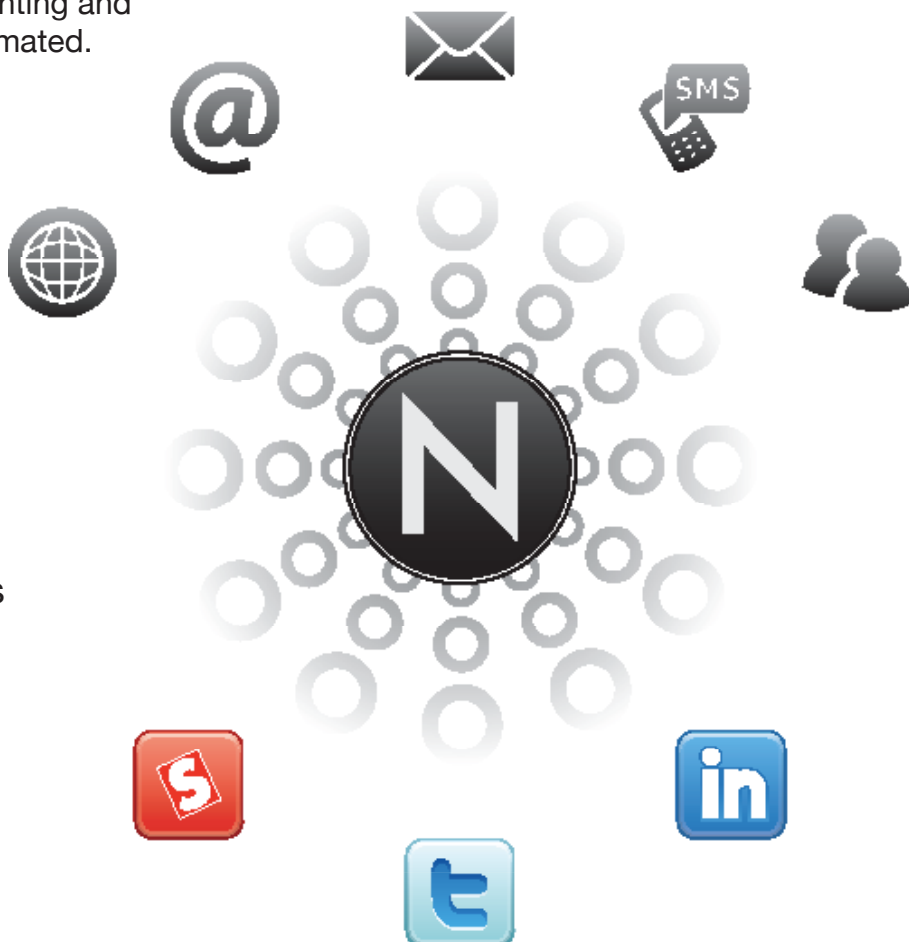
5. What's the takeaway?

By utilizing Net-Results' marketing automation platform, you can ensure that the "forgotten 97%" of your site traffic gets the TLC they need to move through the sales cycle. With real-time insight into where each of your prospects are in their buying cycles based on their interactions with your website and emails (visit history, length of time on site, downloads, etc), you will create relevant, behavior-based messages. There are no limits on how you wish to segment and classify your prospects. The beauty is the communication is entirely automated after the initial logic and correspondence is created. Net-Results makes implementing and launching MA easy, affordable and automated.

If you are ready to learn more, spend 8-minutes with us for a quick demo.

Visit Net-Results.com/demo or call us at **877.946.4487**.

Be sure to [check out our many upcoming webinars](#) to see first hand how marketing automation is the best way to reach your customers.





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