

ADAPT OR DIE:

Engage Prospects And
Customers Using The
Latest Tools And Strategies
To Avoid Being Left Behind



INTRODUCTION

In this white paper, we will provide an inside look at how the new pathway of the customer sales journey has led to the birth of a new model for B2B organizations using technology to nurture leads and close sales. We will explore:

- The new customer journey. It's less a funnel than a decision made by committee.
 - The new sales imperative to engage prospects and customers digitally throughout the journey.
 - New tools and tactics to shorten the sales cycle, improve close rates and buyer experiences, and increase revenue.
- The rising use of predictive analytics to score leads, recommend engaging content and build loyalty.
 - The promise and the challenges of social selling and nurturing sales with content.
 - The importance of building a feedback loop within the sales organization into the model to ensure continued success.

Sales professionals must play a more central advisory role with prospects, accelerating deals and driving opportunities to upsell and cross-sell.



THE CHALLENGE OF THE NEW CUSTOMER LIFECYCLE

We have all heard the stats.

According to CEB, 57% of the customer purchase decision is complete before a customer ever contacts the business. Forrester Research and Gartner cite similar numbers.

While the initial school of thought to respond to these shifts in buying behavior was to lean more on marketing to drive the first stages of engagement and rely on sales to influence the later stages, that mindset is changing for many companies.

A SiriusDecisions study published in May 2015 found that buyers interact with sales representatives from the beginning to the end of the buyer's journey. That means sales must be involved at the outset. They also need to be closely aligned with marketing teams in order to engage with customers and respond to their needs further up the funnel, and to make sure they are providing the most relevant resources in ways customers prefer.

"B2B buyers interact with providers in a variety of ways throughout every phase of the decision-making process," said Jennifer Ross, Senior Research Director, CMO Strategies at SiriusDecisions.

This reality lies in contrast to prior thought leadership which suggested that much of the initial buyer's interaction happens before sales gets involved. SiriusDecisions' latest research suggests there should be a balance of "human and non-human" interactions, and that digital is pervasive across both of those types of interactions.

"It's time to pull the pendulum back. It's not a digital interaction vs. a sales interaction," said Marisa Kopec, VP and Group Director at SiriusDecisions. Sales executives have begun to adapt by interacting with buyers throughout the customer journey.

"Digital facilitates those interactions," Kopec added.

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- JENNIFER ROSS,
SIRIUSDECISIONS



Given the nature of this complex buyer's journey, sales needs to be engaged every step of the way. The consideration stage of the customer lifecycle has increased and become more crowded, as the pure volume of solutions available has expanded. The process has gotten ever more complex and the buying cycle is longer, according to Demand Gen Report's 2015 B2B Buyer's Survey.

Over the past decade, many organizations built funnel models for tracking the buyer journey, with the goal of progressing a prospect steadily from engagement to close. But many companies selling complex solutions have realized that the top-down funnel model is flawed.

They are now focused on a more circular, or closed loop, customer journey, which requires continuous contact, as it feeds on itself, progressing from awareness to purchase, then looping back post-purchase to build loyalty and advocacy for future purchases.

Because buyers are looking to accelerate their own learning curve and quickly narrow their list of potential solutions, progressive organizations are realizing that their sales teams need to be just as involved in the early stages of engagement as marketing. Rather than handing over the stages of awareness and consideration, many companies are equipping their sales teams with powerful tools and tactics, such as content marketing, social and data-driven insight, and analytics.

Instead of waiting to pick up leads from marketing, sales professionals must play a more central advisory role with prospects, accelerating deals and driving opportunities to upsell and cross-sell. Sales can engage in the higher-value pieces and drive greater productivity, while the marketing team can handle the lower value and more scalable elements of educating buyers.

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NEW MODEL, NEW TOOLS

Today's B2B buyers expect customized and continual engagement from vendors, and sales departments are adapting by taking on some of the nurturing traditionally carried out by marketing, including delivering content. In that context, automated content-recommendation tools are taking on increased importance as a sales enabler, turning contact data into context and marrying it with content.

The new model is already yielding results for companies willing to adopt it. A global software leader, faced with fast-growing demand for its services, was able to double its win-rate at a key business unit by adding an automated solution to push content to its sales reps. The platform recommended the best content for different situations—including blog posts and third-party content—and offered templates and tools to enable sharing.

The company was dealing with complex, technical questions from its enterprise customers, and it needed to serve up content efficiently. Using technology, it defined attributes, such as customer

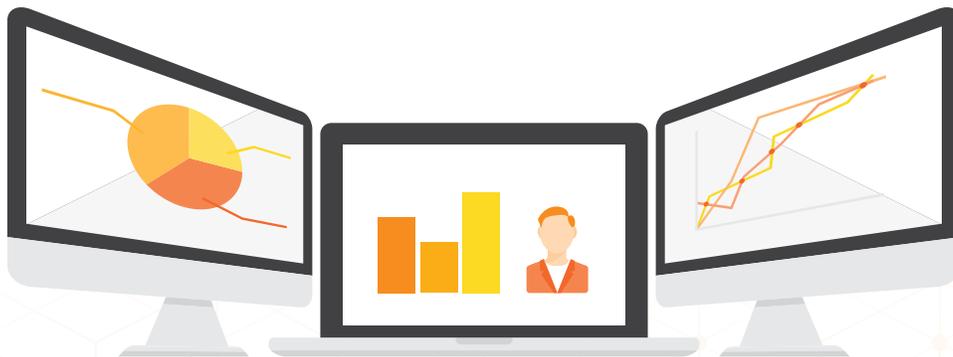
vertical, competitors and other unique identifiers, to map each content piece for easier retrieval. The team also logged which content won business and by how much, to better gauge the ROI of content, reuse the better pieces and continually improve content.

The result was a doubling of the sales-win rate for a sales organization across dozens of countries worldwide, which meant millions of dollars in additional revenue to the company.

By leveraging data, sales can not only address the problems companies have, but the unmet and unknown needs that companies don't even realize they have. That can be a real differentiator for a sales rep, said Tim Riesterer, Chief Strategy and Marketing Officer at Corporate Visions.

"Your job is to be a meaning-maker. Take all the data and all that information and make meaning of it, and show me where maybe my status quo is threatened and outcomes are at risk," Riesterer said. "Not because you have a new solution, but because you

Automated content-recommendation tools are taking on increased importance as a sales enabler.



enlightened me, and amplified, revealed and exposed meaningful things that are taking dead aim at my status quo.”

Predictive analytics tools are increasingly used for good lead management among progressive sales teams. One way companies are using predictive analytics is to score leads and reduce the churn of marketing leads and failed sales calls. Predictive tools are helping companies home in on the best prospects most likely to close. These tools are also being used to help with lifecycle marketing. They reduce churn by identifying and targeting existing customers most likely to defect and flagging them for immediate attention.

Predictive analytics are also being used to create conversations with prospects by prescribing content to match the prospect's interests and behaviors.

Using data to prescribe follow-up and recommend content for buyer engagement has resulted in a sales lift of at least 5% among early adopters of these new tools and models, with some seeing increases of 10% to 15%.

Other organizations are using predictive tools to target content to a prospects' needs and stage in the buying journey. According to Aberdeen Group's research, serving content that matches the questions of the buyers at the current stage of their decision path results in 73% higher conversion rates than serving content that is not aligned.

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SALES, THE CONTEXT FOR CONTENT

With the help of new curation and aggregation tools, progressive organizations are giving sales departments a larger role in delivering content to clients — a role that marketing has monopolized until now. “Obviously, these companies have found sales reps are in a good position to align the content and deliver it one-on-one to clients, while marketing is better equipped to handle content at scale,” said Peter Guy, Senior VP at MarketBridge, a digital sales enablement company. “The idea is to help salespeople do more at scale and help marketers do more with personalization.”

“We are seeing companies structure the content in a way that makes sense, in a more meaningful way,” Guy said. “Let’s enable the marketers to push content to the salespeople to be shared out, where they contextualize it and personalize it. Let them decide, but let them decide with some analytics and insight.”

Content plays a key role in a marketer’s ability to build relationships. Recent Forrester studies showed 45% of buyers said they want vendors to help them “realize my end result” and 50% want to deal with vendors who show they know their business and their culture.

“Today’s business-to-business buyers are more sophisticated, in that they have higher expectations about how you, as an organization, engage with them, and engage with them on a personal level,” said Laura Ramos, VP-Principal Analyst at Forrester Research and a B2B expert.

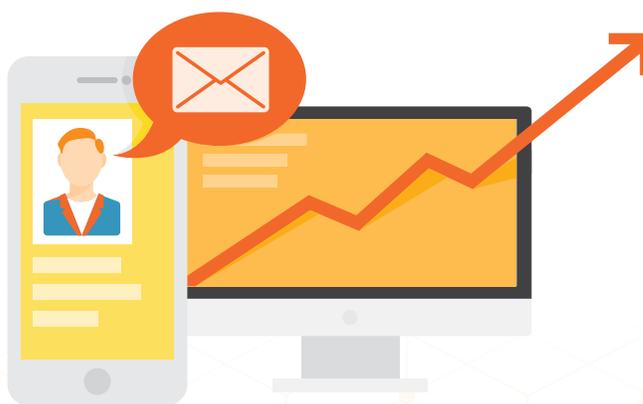
“You can’t make your products and services the center of discussion. You’ve got to figure out how you’re going to use that to help the buyer execute better, to show you know their industry, their competition and their company inside and out.”

But with the increased flow of content, salespeople could spend all their time sorting through content to share with clients, and still achieve no results. SiriusDecisions estimates that 70% of content produced by B2B organizations goes unused. By contrast, MarketBridge’s Peter Guy said he has seen rates of up to 80% of content being read to completion when it is shared by salespeople based on predictive analytics recommendations.

Guy said many of his clients see great results when they contextualize and personalize messages to prospects. “Instead of getting an email from a company that’s some generic piece of content ... [they are] getting something personalized from somebody at that company, a name [they may] know.”

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- LAURA RAMOS,
FORRESTER RESEARCH



SOCIAL WORK IN PROGRESS

While digital channels have already enabled the widespread sharing of content, social media has not been as widely adapted in the B2B context. Social selling for enterprise businesses remains a work in progress. Some automation companies are now working on solutions to mine Twitter for signals of buying intent, but the technology is still in its early stages.

But B2B companies can begin to chip away at social selling by first getting their salespeople on social media platforms. They can use social media to collect information on the interests of prospects

to find door-openers, or use social media to post relevant content to them and break through the e-mail clutter.

Even in its early stages, social selling is proving a useful and powerful tool for B2B sales. An Aberdeen group study found the best-in-class sales organizations were far more likely to use social media to nurture sales. The study showed they were more likely to have closed a B2B deal that originated in social media (56% vs. 36% for the industry average), as well as closing a deal heavily influenced by social media (38% vs. 32% average).



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One large IT company trying to break into the growing small-business segment saw a 33% increase in lead volume by switching 70% of its demand-generation spending to social media and online video. With offline prospecting no longer producing the same quality leads, the software-as-a-service company shifted its focus to digital channels; it chose to enable its sales partners to build digital sales capabilities focused around targeted content and social media.

As a result, inside sales reps' win rate rose to 40% from 25% and the percent of its sales pipeline sourced by marketing rose from 25% to 33%. At the same time, the average sales cycle decreased from 6 months to between 3 and 4 months.

PUTTING IT TOGETHER

Once the process has moved along the customer lifecycle, sales needs tracking and measurement to build a feedback loop. Companies that actively manage customers after a sale decrease churn, preserve revenue and increase advocacy, Forrester's Ramos said.

Tracking tools that measure the usage of recommended content, analyze the response rates for various communications and share it across the sales teams, are also valuable for learning how sales reps are using the tools available and homing in on what practices are working.

Sales figures have been used as a measurement of success in the past, but it is more difficult to discern which factor moved the needle. New measurement tools can be more granular and attribute the sales to specific activities or touch points.

"Salespeople are quite competitive, and they don't always share what's working and what's not working and best practices across the team. This becomes an automated, built-in platform by which we can do that," MarketBridge's Guy said.

The optimization pays off in the long-term, as the feedback loop builds on itself. According to Aberdeen Group research, companies with best-in-class

lead nurturing are 130% more likely to have a process in place to analyze the performance of marketing content in order to optimize future efforts.

There is no set-and-forget among the best sales organizations; instead, it's a constant rinse-and-repeat cycle of improvement. The same Aberdeen study found best-in-class organizations are more likely than the average to integrate marketing results with sales-automation and CRM systems (73%, vs. 58%), to be able to measure the close rate of marketing-generated leads (65% to 49%), and to integrate the marketing, sales and CRM automation systems to enable sharing metrics.

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- ABERDEEN GROUP



Learning and optimizing proved valuable to one company with a large and fast-growing B2B loyalty program, which nonetheless could not pin down its ROI, its campaign performance or customer loyalty generated. Using a new set of program analytics and performance measurements—including Return on Marketing Investment, Customer Lifetime Value and Next Logical Offer Modeling—the system was able to use available program data and make actionable decisions to improve the existing programs.

By optimizing the existing campaign and predicting the logical next offering, the program showed a ROMI of more than 100%. It has been able to grow annual qualifying purchases by 38% and product redemptions by 85% since 2007.

THE NEW MODEL PAYS OFF

There is no underestimating the importance of adopting these practices. According to SiriusDecision's annual benchmarking survey, aligning marketing and sales can drive an average 19% higher revenue growth and a 15% boost in profitability.

But the operational model must fit how sales reps work, and bring all important items into one stream or dashboard, to avoid multiplying the number of systems reps must use to get the job done.

Modern marketers are taking time to create a single stream view so that they "don't have to go to five, 10, 15, 20 different places to get a comprehensive snapshot of [a prospect]," Guy said. "Everything that a sales rep would want to see gets pulled into this one place. That approach saves time on research and allows for more focused and prioritized sales outreach."

The payoff from integration is clear; an Aberdeen Group study noted that the companies that aggressively integrated all their enterprise and desktop applications together showed 22% better customer retention.

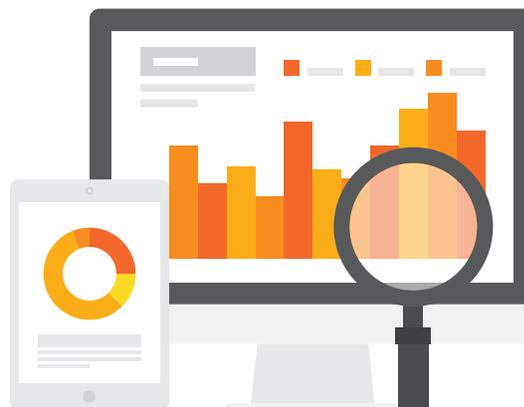
Today's outreach process is a more difficult obstacle course than ever before, both in the number of steps and the people involved. Gartner Research VP Hank Barnes describes the buying process as a "Wizard of Oz" journey with one champion buyer trailed by a group.

The process is also becoming ever more digitally driven, as buyers empower themselves with information just as consumers do in the B2C market. A Forrester survey found 74% of business buyers research their purchases online, and 53% think going online is superior to interacting with a salesperson.

And the buying funnel is broken, with buyers pouring out of the gaps between marketing and sales. "Marketing thinks they're helping, but often they're not," Guy said.

Faced with a new-model buyer's journey, higher stakes and a wider menu of tools at their disposal, salespeople need to embrace a new model for themselves: one that is automated, data-driven, content-based and socially viable. The best enablers will see more efficient sales operations, better client relationships and improved revenue; those who ignore it do so at their peril.

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MARKETBRIDGE

4800 Montgomery Lane
Suite 5
Bethesda, MD 20814

240.752.1800

info@market-bridge.com

ABOUT MARKETBRIDGE

MarketBridge helps B2B and B2C organizations acquire, retain, and expand customer relationships by combining the power of predictive analytics and content personalization technologies. Our unique and scalable technology platforms help our customers drive sales and marketing productivity in four distinct areas of the customer buying lifecycle: demand creation, lead nurturing, sales acceleration and customer loyalty and retention.



411 State Route 17 South
Suite 410
Hasbrouck Heights, NJ 07604

201.257.8528

info@demandgenreport.com

ABOUT DEMAND GEN REPORT

Demand Gen Report is a targeted e-media publication spotlighting the strategies and solutions that help companies better align their sales and marketing organizations, and ultimately, drive growth. A key component of the publication's editorial coverage focuses on the sales and marketing automation tools that enable companies to better measure and manage their multi-channel demand generation efforts.

