



A Marketing Automation Guide To

Sales & Marketing Alignment





Introduction

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B2B marketing is about driving sales, yet a common complaint from the sales department is that “Marketing throws leads over the fence!” Too often experience has shown sales that few leads from marketing are qualified and even when they are; the timing is too early in the cycle. Meanwhile the marketing department is constantly dismayed that so few leads are actually followed up by the sales department.

Observing this dysfunction within their organizations, executives question why marketing and sales can’t get along. What’s more, they are anxious that the leads generated by marketing are simply “lost” along with their investment in generating those leads. These companies need sales and marketing alignment and almost 80% of companies have this problem (Aberdeen Research, 2007).

In today’s business environment prospects leverage the internet to make purchase decisions. As a result, they begin to research vendors online long before they buy. Engaging prospects who are not ready to buy is costly for the organization. Moreover, contacting prospects too early annoys them and the resulting unsatisfactory interaction makes sales even less motivated to follow up on similar leads.

The origin of this dysfunction is fundamental. Traditionally sales performance is highly quantified, with emphasis on short-term results in the form of revenue, whether quarterly or monthly. By contrast marketing is more long term and strategic with emphasis on discerning and meeting the needs of customers.



Leverage Marketing Automation

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of a marketing automation solution. A key feature is lead nurturing, which is the process of communicating with prospects through different means until they are ready to buy.

For lead nurturing to be effective, sales and marketing must collaborate on a lead scoring system that applies a score to various behaviors that the prospect may exhibit while online. Using that framework, sales and marketing must then develop a set of business rules that define a threshold that indicates a lead is sales-ready. In practice, marketing needs to nurture that lead until that threshold is reached. At that instant the lead must be delivered to the appropriate sales person for follow up.

Having sales and marketing collaborate on defining a sales-ready lead is a superior strategy. The November 2008 Aberdeen Group study, *Lead Nurturing: The Secret to Successful Lead Generation* revealed that Best-in-Class performing organizations were twice as likely to do this than Industry Average and Laggard organizations.

For any lead that slips through to sales but is not ready to buy, it must be sent back to marketing for further nurturing. This initiates a feedback loop that can measure performance. Both groups can collaborate on tuning the system to maximize returns.

When a lead scoring system is implemented together with lead nurturing, the quality of leads will increase and the quantity of leads will decrease. Marketing will see a higher percentage of leads being followed up and sales will see a satisfying increase in the quality of leads present to them.

Lead nurturing and lead scoring are part of the lead management toolkit. The Aberdeen Benchmark Report, *Automating Leads to Sales Conversion* (March 2007) states that companies that have implemented lead management tools experience a 30% or higher lead to sales conversion rate.



Seamless Data Sharing Between Sales and Marketing

“For sales and marketing alignment, leads and their associated data need to pass seamlessly from marketing to sales at the moment the leads become sales-ready.”

For sales and marketing alignment, leads and their associated data need to pass seamlessly from marketing to sales at the moment the leads become sales-ready. For many sales organizations that means leads must be delivered directly to the CRM (Customer Relationship Management) environment such as Salesforce.com or Microsoft Outlook, that each sales person uses to manage their daily activities.

Along with the name and phone number of the prospect, the lead should contain pertinent information about how the prospect interacted with marketing. That includes identifying the marketing campaigns such as email or online advertising that captured the lead and accompanying details of online behavior that led to the lead being classified as sales-ready. This valuable information will help the sales person to pursue the opportunity.

Lead Routing from Marketing to Sales

Completing this aspect of sales and marketing alignment means ensuring the delivery of sales-ready leads to the appropriate sales person at the moment the leads are sales-ready. The marketing automation system must automatically route leads to the appropriate sales person based on business rules such as geographic or industry territories. In this scenario each individual sales person only has access to the leads assigned to them.



Dynamic Data Sharing Between Sales and Marketing

For true sales and marketing alignment, systems must allow for the fact that information about a lead is dynamic, which means for example that any updates such as details about a return visit to the website (from Marketing campaigns) will pass seamlessly from the marketing automation system to the CRM as they occur.

Because the data shared between marketing and sales is vital to the eventual pursuit of a prospect, a special case must be made for the B2B companies that do not yet employ a CRM such as Salesforce.com. Active Conversion offers a sales-centric module called AC-ProspectAlert that transparently integrates with the Active Conversion marketing automation system. AC-ProspectAlert becomes the environment where sales people obtain lead information and alerts about their prospects. Sales people do not have to log into marketing's system to have access to this data to get real-time updates about their prospects.

Create a Feedback Loop between Sales and Marketing

After follow-up, sales should be able to pass a lead back to marketing if that lead is determined to be not ready to purchase. It can then be recycled into a special nurturing program created for leads that are determined to be not sales-ready.

Establishing a process like this will also have the effect of providing additional feedback to marketing to see how leads are performing. If the returned lead percentage is too high, the threshold for sales-readiness may have to be adjusted upward. Sales and marketing need to collaborate on a new threshold to reduce this percentage. Regular meetings between marketing and sales will help tune these lead scoring efforts.

This feedback is part of a larger priority. Measurement is another important component in aligning sales and marketing that can be facilitated by marketing automation. Research shows that highly competitive B2B organizations are three times more likely to measure the percentage of leads that are sent back to marketing from sales.



Issues for Top Management

Lead scoring will help ensure that sales is working on the best prospects that marketing has developed

It can be seen that by collaborating on the business rules that define a sales-ready lead, sales becomes accountable for the quality of leads delivered to them. On the other hand, by nurturing leads until they are sales-ready, marketing becomes directly involved in the sales process.

However, achieving the necessary level of collaboration between sales and marketing may require a cultural change driven by top management. Sales, with its emphasis on short-term results must unite with marketing, with its longer term and strategic outlook. By being accountable to each other, sales and marketing can work together to create value and increase revenue.

A simple structural change is to ensure regular meetings between sales and marketing so that they can provide feedback to each other. The objective is to improve shared processes like lead management but each group should be receptive to feedback in exclusive areas as well.

The payoff for sales and marketing alignment is far greater than having sales and marketing “get along.” Lead nurturing alone will ensure that investment in lead generation is not lost. For example if 15 percent of raw leads are sales-ready and another 10 percent are simply unqualified, that leaves 75 percent of leads that could be nurtured into sales-ready status. If just one out of every five of those remaining leads can be made sales-ready, the effect is the same as *doubling the number of sales-ready leads* overall. Lead scoring will help ensure that sales is working on the best prospects that marketing has developed, making marketing a trusted partner in their selling efforts. In turn, marketing can track prospects from their marketing automation system, and prove that new business was generated by their efforts, from lead generation to conversion into a customer.



Conclusion

With a marketing automation solution like Active Conversion, business can advance sales and marketing alignment and diminish a major source of friction by facilitating a process where marketing delivers sales-ready leads to sales at exactly the right time.

By implementing a lead scoring and lead nurturing system, the quality of leads will increase while the quantity of leads will decrease. Marketing will see a higher percentage of leads being followed up and sales will see a gratifying increase in the quality of leads presented to them. Companies that have implemented these tools have experienced a 30% or higher lead to sales conversion rate.

By collaborating on the business rules that define a sales-ready lead, sales becomes accountable for the leads delivered to them, leading to fewer complaints about poor leads being thrown over the fence. By nurturing leads until they are sales-ready, marketing will take ownership of their own direct contribution in the sales process, and be able to prove to top management their contribution.

About ActiveConversion

ActiveConversion is the leader in total marketing measurement, lead management and demand generation systems for companies with fewer than 1000 employees. They make it easy to see which marketing initiatives are paying off, and introduce you to sales-ready leads.

ActiveConversion delivers service through a low monthly subscription, on a hosted solution that has 99.5% uptime, and which has been security certified by KPMG and Salesforce.com. This platform has proven scalability and requires no IT support or servers.

For more information call 1-877-872-2ROI (toll-free U.S. and Canada). Email and other info can be found on the contact page. ActiveConversion was founded in 2004 and is a private company.