The Pedowitz Group
The Leader in Web 2.0 Marketing

Building Use Cases for Implementing a Demand Generation Competency in the B2B Organization

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An approach methodology for helping B2B companies build Use Cases for investing in a Demand Generation Program

Background

Demand generation is the new required competency not just for the B2B marketer but for any *company* involved in selling B2B with a complex sales cycle. We define demand generation as the combined set of activities of both sales and marketing in creating qualified leads at the top of the funnel and then pulling opportunities through the sales funnel faster.

Marketing automation (MA) is the suite of tools that is the infrastructure for building a measurable demand generation program. It is a broad and emerging category of software that, while it has a marketing moniker, has strong sales implications as well. Like many types of "new" software, it also creates major changes in key processes in multiple parts of the organization.

Use Cases – "You don't know what you don't know!"

The marketing department is typically the first to be introduced to marketing automation and it is their job to help the rest of the company see the value of this type of tool. Because marketing automation is not just about "marketing", this is typically a huge challenge. Creating a new and shared vision for *what can be* with marketing automation is a monumental task for which many marketing departments are not prepared.

Generic case studies only do part of the job of creating a compelling vision for how demand generation can help drive revenue for a company. Use Cases – your own custom case studies - paint a detailed and easily understood scenario for how demand generation will happen and what it will deliver - *all based on* the clients specific sales and marketing environment. This type of analysis requires an experienced analyst who understands all elements of sales, marketing and technology (MA systems) in order to knit it all together into a relevant set of Use Cases.

The Use Case identifies areas of first focus for maximum revenue impact and which clearly demonstrate how the proposed ROI can and will be achieved. In addition, the Use Case is an excellent tool to help secure senior management understanding and buy-in to the program. It uses custom scenarios and language that help all key stakeholders see the vision for demand generation in the company and the role marketing automation plays.

How to Conduct

To develop the Use Cases, the analyst needs to interview both marketing and sales. The purpose of theses interviews is to find 2 – 3 areas where a demand generation program can make the biggest and quickest impact on ROI. These interviews typically last 2 -3 hours for each group interviewed. Each Use Case includes definition of how a set of activities is done today and is contrasted with how that same set of activities can be done with marketing automation. Elements of the interview include:

- What they are selling
- Why they buy
- How they buy
- Who is buying
- Company goals for revenue
- Company go to market strategies
- Role of marketing in demand generation
- Campaigns to date and their effectiveness
- How is lead qualification done
- How sales follows up with leads
- What happens to leads passed to sales
- How sales tracks opportunities through the sales funnel
- What is the current set of technologies in use for demand generation

From this set of interviews, the analyst will identify 2 – 3 areas to build Use Cases around. Some typical Use Case examples include:

Categories:
1. Improving response rates in a campaign, which leads to a higher number of leads
2. Improving lead quality, which leads to higher lead to opportunity conversions
3. Putting in place a lead nurturing program for leads turned down by sales or not worked by sales
4. Setting up alerts for sales that notify them when key prospects are on the website
5. Improving renewal rates
6. Improving webinar results

The following set of Use Cases were developed using this methodology. The company is a business services company selling information, in the form of reports, to many areas of the IT industry.

Use Cases for XYZ Company

Use Case #1: The Fall Push

This company (XYZ) publishes a 12 month editorial calendar in early September each year. This sets up an intense selling/renewals set of activities that coincide with 3 months of global field visits. The September Push sets up the revenue picture for the year and is critical for XYZ company.

Today at XYZ: Improve the Response-Opportunity-Close Ratios

- Send out 8,000 emails under VP of Sale's signature
  - Everyone gets the same email
  - Wait for a response from the prospect – either an email sent back or a call into the company
  - Sales will follow up on this response
  - Add to pipeline and close
  - Sales will also probably reach out to target prospects and accounts, as time allows
  - Any calling to the list outside of the prospects who proactively reached out the company is real cold calling.

XYZ with Marketing Automation: Improve the Response-Opportunity-Close Ratios

- **Send out 8,000 emails under VP's signature**
- **Phase 1: People who respond**
  - The email will be "automatically" customized (all the same content, just reordered) based on area of most interest from their profile
  - Wait for a response – either an email or a call
  - **PLUS**
  - Add a second channel (costs more, but very inexpensive options are available)
    - Database receives a friendly, short voicemail from VP and 15 minutes later, the database receives the "customized" email. Recorded one time and automatically sent via marketing automation.
      - Studies show that using 2 channels like this in one campaign can increase response rates by as much as 50%
  - Be alerted via email, blackberry, etc. of when a prospect or client shows a very high level of interest. This is extremely important in a competitive space, as the prospect is just one click away from your competitor. If you can know when they are on line and are exhibiting a high degree of interest in your offering, you can call them immediately, before they click to the competitor.
    - Sales will get this alert along with exactly where they went on the website, how many pages they visited, etc. Sales can take this information and make an informed "warm call"

- **Phase 2: People who do not respond to the email**
  - Use marketing automation to set up the following automation:
    - For all clients/prospects who do not click through on the September Push email campaign, automatically send a second, slightly differently email 72 hours later
      - This allows you to capture more interest from this critical campaign
      - Follow all the above steps
- **Impact:**
  - Improve the Response-Opportunity-Close Ratios
  - Improve the XYZ brand as both a professional and customer-centric organization

Use Case #2: Lead Nurturing

What happens when sales speaks to someone and they just aren't ready? Lead nurturing works for up-selling current clients, as well as for getting net new clients.

Today at XYZ: Lead Nurturing

- Based on the conversation, sales will schedule a follow up call in the future
- They may also try to make sure they have the right areas of interest for marketing to each profile

XYZ with Marketing Automation:

- Based on the conversation, sales will schedule a follow up
- They may also try to make sure they have the right areas of interest so XYZ can continue to market to each profile
- **PLUS**
- With MA, sales can automatically drop the prospect into a custom nurturing campaign
    - 3 key messages, 3 weeks apart
    - Track all behavior with MA
    - Score and send alerts directly to sales when a prospect shows interest
- ➢ **Impact:**
    - Qualified leads don't drop off the radar screen
    - They are 'sold to" with frequent small touches
    - You can see the minute they are interested
    - Puts in place a "virtual" sales force that is always interacting with prospects

Use Case #3: New Market Acquisition

Selling to current customers is very different from going after a new segment of the market. Markets such as chip, service procurement, testing and measurement, and investment (VCs) are new and exciting markets for XYZ. MA can help you grab more new customers, faster.

Today at XYZ:

- Get a list
- Send an email
- Everyone gets the same email
- Wait for a response – either an email or a call
- Sales will follow up on this response
- Add to pipeline and close
- Sales will also probably reach out to target prospects and accounts, as time allows

XYZ with MA:

- Get a list
- Do split testing of emails so see what "grabs their interest"
- Add a second channel, like voicemail
    - Add a second channel (costs more but inexpensive options are available)
        - Database receives a friendly, short voicemail from VP and 15 minutes later, the database receives the "customized" email. Recorded one time and automatically sent via MA.
            - Studies show that using 2 channels like this in one campaign can increase response rates by as much as 50%
    - People who do not respond immediately
        - Use MA to set up the following automation:
            - For all clients/prospect who do not click through on the September Push email campaign, automatically send a second, slightly differently written email 72 hours later
                - This allows you to capture more interest from this critical campaign
                - Follow all the above steps

- Once the headline is established, launch the full email campaign
    - Over time, you can see what types of messages and offers this new market group responds to
    - For every email campaign you run to this group, you can track and report on:
        - Response rate
        - Rate of click throughs
        - Pages visited – how many and which ones
        - What they downloaded
    - All of this information gives you another slice of invaluable insight into this new market, which helps you to improve both marketing and selling efforts
- **Add MA Lead Scoring and Alerts**
    - Lead scoring will marry together 2 sets of information about your clients:
        - Hard data – company, role, revenue, etc.
        - With Implicit behavior – how they act and what they do on your website
        - You can "automatically", and in real time, score these elements

- Once a client/prospect reaches a certain score (no matter what time of day or night), this information is automatically pushed to Sales and the rep for follow up.
- Be alerted via email, blackberry, etc. of when a prospect or client shows a very high level of interest (but prospect/client has not yet proactively reached out)
- Sales will get this alert, along with exactly where they went on the website, how many pages they visited, etc. Sales and/or the new sales rep can take this information and make an informed "warm call"

- **Impact**
  - Maximize selling time
  - Time is spent with higher quality leads
  - Get to the market faster
  - Gather market information faster, based on behavior and reporting
  - Puts in place a "virtual" sales force that is always interacting with prospects in the new market

Use Case #4: Sending emails with maximum results

XYZ sends out many, many emails over the course of a year to market their reports. MA can help them both to decrease the effort required to send the emails and to improve the effectiveness (response to opportunity).

XYZ Today:

- Write email and send
- Call whoever you think might be interested

XYZ with MA:

- Use MA to build one program that will automate a multi-channel, multi-touch campaign that can be re-used over and over
- Example: Webinar
    - Create the work flow – a Decision Tree that is completely automated
        - IF the client responds and registers, the next emails they will receive are the '2 day before' and '1 day before' reminders
        - IF the client does not respond after 1st week, 2nd week or 3rd week, send a second email, with a slightly different subject, to try to capture their attention
        - If they then respond, the next emails they will receive are the '2 day' and '1 day reminders'
    - You can also add another channel to this. For example, 15 minutes prior to the first email, send a voice recording from the analyst who is doing the call,
- **Impact:**
    - Save significant time on sending emails and deciding who gets what, when. Create one program that can be used over and over.
    - Improve effectiveness of the campaigns

Use Case #5: Maximize Selling Time for New Business

Currently, Sales has to spend a lot of time talking about the reports. While this is a key selling activity, it is something that, in many cases, can be done by the analysts. XYZ needs a way to help Sales maximize their selling time and efforts.

Today at XYZ:

- Two major sets of activities;
  - Respond to proactive outreach from client – form, email, phone call
  - Proactively call into the XYZ database

XYZ with MA:

- Two major sets of activities;
  - Respond to proactive outreach from client – form, email, phone call
  - Proactively call into the XYZ database
- **PLUS**
- **Add MA Lead Scoring and Alerts**
  - Lead scoring will marry together 2 sets of information about your clients:
    - Hard data – company, role, revenue, etc.
    - With Implicit behavior – how they act and what they do on your website
    - You can "automatically", and in real time, score these elements
    - Once a client/prospect reaches a certain score (no matter what time of day or night), this information is automatically pushed to Sales and the rep for follow up.
- **Do a quick Q&A audio or video for each report that is issued**
  - This will answer the most commonly asked questions
  - Can also use this asset in e-campaigns
- **Impact:**
  - Clients/prospects that have THE MOST interest are automatically identified and you can do quick follow up
  - This helps deeply qualify the client/prospect
  - Gives you critical information that you can use to shape the call
  - The time you do spend selling, is spent with quality leads
  - You can further segment behavior so that an analyst does the follow up, not sales.

Use Case #6: Maximizing the Unexpected Trend/Report

XYZ sets their editorial calendar 12 months in advance. At the same time, they work in the fast changing technology markets and there are often significant and unpredicted market changes or trends of which XYZ will need to be out in front.

A great example is the network security market. There is always a new virus, a new threat or a need to update as fast as possible and as widely as possible. Even more, once this update is delivered via email to the entire database, how do you know who to follow up on?

Today at XYZ:

- Send an email update to the database portion that is tagged for an email on network security. This is information that currently has to be manually updated.
- Wait for a response – either an email or a call
- Follow up on this response
- Add to pipeline and close

XYZ with MA:

- Send an email update to all of the database that is tagged for such an email about network security updates
    - The database will be segmented based on what prospects opt in for. In this case, network security. This is information that has to be manually updated by the prospect.
    - The database will be further "automatically" segmented based on online behavior by MA
        - **Example:** A prospect that is not in the pre-defined network security alert segment comes to your website and looks at all the overviews for network security
            - Based on this behavior, MA will "automatically" add this prospect to the database tagged for the email on the network security update
- **Impact:**
    - Better segmented list that delivers the right information to the right prospect
    - Gives you a dynamic way to capture what a prospect is interested in now, rather than trying to keep their stagnant profile up to date
    - Better customization, tailored to what a prospect is interested in, which gives you better open rates, click throughs, and lead conversion.