

**BRIGHTFIRE**

# **B2B GUIDE TO MARKETING AUTOMATION eBOOK 2014**



# INTRODUCTION

In a world of accelerated technological convergence, media channel integration and a marked shift of control to the consumer, there is an acute demand for a type of marketing that matches the new dynamics of consumer behaviour. As people increasingly interact with companies in the social media sphere via computers and hand-held devices, and businesses large and small strive to stay on the cutting edge of the fast-moving digital ecosystem, the marketing domain has experienced an unprecedented overhaul. No longer is bulk advertising effective in drawing in customers through untargeted messages aimed at the masses.

As the buying process of 93% of B2B buyers starts online (iMedia Connection), marketers today are faced with the need to provide a more relevant, personalised user experience and timely content. With the growing number of must-do digital marketing activities, handling social media, search optimisation, content production, lead generation, client support, web analytics et al it can be time-consuming, costly and downright frustrating.

Step forward marketing automation – an integrated solution which comes in the form of an all-in-one marketing platform unifying different (often disparate) sources of data and automating otherwise time-consuming manual tasks. Offered by software-as-a-service (SaaS) providers, such as HubSpot, marketing automation platforms are gaining popularity, especially across the B2B technology sector.

Promising complete process alignment, reduced turnaround times and minimised costs, marketing automation has emerged as a new, cost-effective and efficient tool for B2B technology companies wishing to manage the full lead lifecycle – a prospect's journey from the top to the very bottom of the sales pipeline. However, while it has seen an increased adoption across Europe, there is evidence that companies are still unsure about the impact marketing automation has on the bottom line.

This e-book seeks to explain how marketing automation 'fits' within the wider digital media landscape, examines businesses' use of marketing automation to date and future plans drawing on Econsultancy data. In conclusion, we discuss what value marketing automation can add to your marketing and sales efforts.

# MARKETING AUTOMATION IN THE DIGITAL MEDIA LANDSCAPE

The digital media world has never stood still but recent changes have been happening at a staggering speed, propelling certain developments in B2B marketing and leaving marketers gasping for breath. Here we outline the major trends in the digital space where marketing automation has an important role to play.

## 1 The reign of ‘big data’

In a report published in May 2011, McKinsey Global Institute described ‘big data’ as “the next frontier for innovation, competition and productivity”.

The proliferation of data seems to be the biggest promise, as well as the biggest challenge, of digital marketing. The promise comes from the intelligence that can be gathered with data analysis, which could then be integrated into marketing strategies to enhance the customer experience and improve marketing performance. But the challenge of tracking and aggregating the abundance of complex data coming from many different sources, and most importantly, making sense of it, remains.

*“The amount of data in our world has been exploding, and analyzing large data sets—so-called big data—will become a key basis of competition, underpinning new waves of productivity growth, innovation, and consumer surplus. Leaders in every sector will have to grapple with the implications of big data, not just a few data-oriented managers. The increasing volume and detail of information captured by enterprises, the rise of multimedia, social media, and the Internet of Things will fuel exponential growth in data for the foreseeable future.”*  
(McKinsey Global Institute)

Where marketing automation can help:

All-in-one marketing automation platforms can resolve the issue of data unification and analysis by providing a single platform for data storing, management and analytics.

## 2 The push for personalisation and integration

The requirements of the organisation in 2014 includes having the right “data, technology and culture to act as the foundation for a great customer experience, with a focus on multichannel marketing and campaign management also required to underpin a successful approach” (Quarterly Digital Intelligence Briefing: 2014 Digital Trends). This development matches the trend of consumer empowerment and control, and should serve as evidence that marketers are adapting their activities to the new consumer habits accordingly.

Where marketing automation can help:

With the principle of integration at its very core, marketing automation can help implement marketing campaigns across channels. Its lead generation, lead nurturing and web analytics features can help track each user’s engagement with a company and thus tailor future interactions with them accordingly, based on the prospect’s specific nature and visit history.

## 3 The future: Convergence and predictive marketing

As we witness more and more businesses providing integrated, personalised user journeys based on user intelligence, buyers expect (and possibly even demand) connected online experiences. This can be achieved only through platform convergence – a massive trend in the B2B technology realm, as evidenced by some recent very significant IPOs and acquisitions, including Salesforce’s acquiring Exact Target and Pardot, Oracle acquiring Eloqua, and both Marketo and Hubspot moving into the realms of IPO.

Driven by the need to deliver the right content in the right context at the right time, high tech businesses bring together different complementary technologies into a single integrated platform. Thus, with convergence the big marketing challenge is moving from the need to unify, track and analyse different sets of data to the ability to predict buyer behaviour and marketing performance based on the analysis of already existing data. In this respect, armed with user intelligence and predictive know-how, marketing has a considerable role to play in businesses’ decisionmaking process.

Where marketing automation can help:

Judging by the M&A and convergence trend, it is possible to see a boom in the adoption of marketing automation as a cross-platform marketing solution that streamlines disparate marketing activities on one hand, and aligns marketing and sales, on the other.

## MARKETING AUTOMATION ADOPTION TRENDS

A series of reports by Econsultancy deal with marketing automation as an emerging and promising, yet still largely underutilised, type of technology. We curated the studies' findings and the following marketing automation adoption trends stood out:

### **1** Plans for digital marketing budget *(Econsultancy Marketing Budgets 2014)*

As an increasing number of companies recognise the importance of accurately measuring marketing performance and return on investment, more and more businesses embrace digital marketing technology hoping to derive value from analysing large pools of user data. 78% of agency clients say they are planning to increase their digital marketing spend with 66% of B2B organisations planning to increase their spend on digital marketing technology.

### **2** Need to improve analytics and integrate user testing in a structured way *(Internet Statistics Compendium UK 2011)*

While a vast majority (86%) of the companies who integrate user testing with web analytics report a large increase in sales, about a third of companies do not integrate user testing and analytics at all, while 57% of the respondents in the Econsultancy / RedEye Conversion Rate Optimization Report say they need to improve this.

There is a pressing need for a structured approach to conversion, which has been proven to lead to better conversion rates and yet, only 31% have such a method in place.

### 3 Negligible percentage of companies integrate social data with CRM

*(Quarterly Digital Intelligence Briefing – Social Data)*

Though businesses have come to terms with the need to engage in social media, very few think they are doing it effectively – 16% compared to 57%, who disagree.

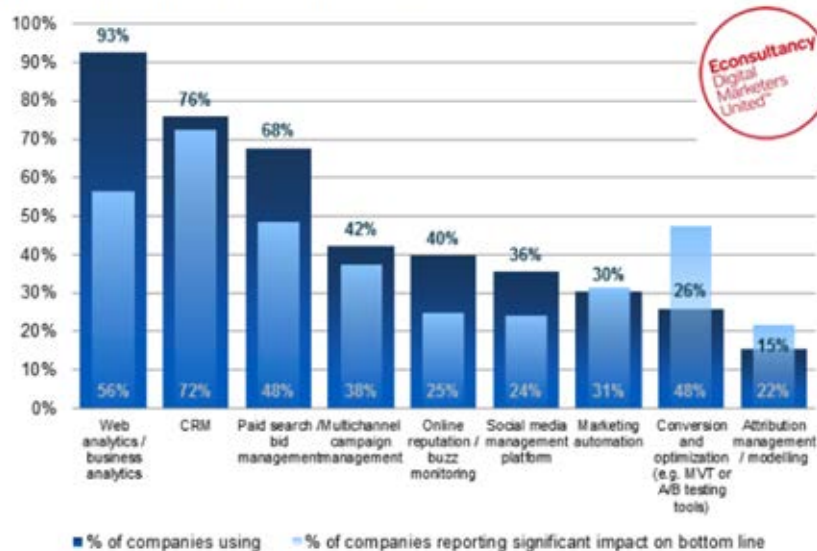
But what is a truly alarming finding is that the overwhelming majority of companies don't have practices in place for the integration of social data with their conversion management system (CRM), which means that data coming from social channels remains largely untapped and users' social behaviour - unanalysed. A mere 2% of respondents say they completely integrate social data with CRM.

### 4 A huge gap looms between web analytics' potential and actual efficiency

*[Quarterly Digital Intelligence Briefing (Europe)]*

While companies are aware of the benefits of marketing analytics, with 93% having such practices in place, only 56% report that this technology has a significant impact on the bottom line.

Figure 1: Which marketing technologies does your business use and how much impact do they have on your bottom line?

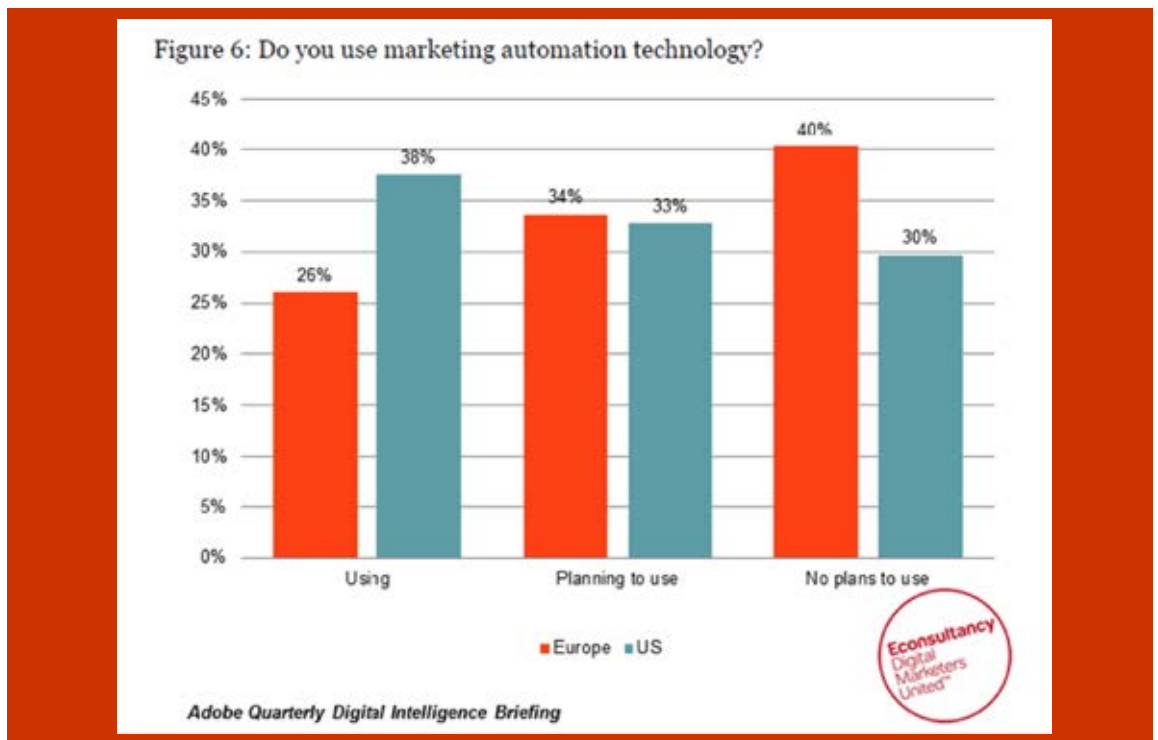


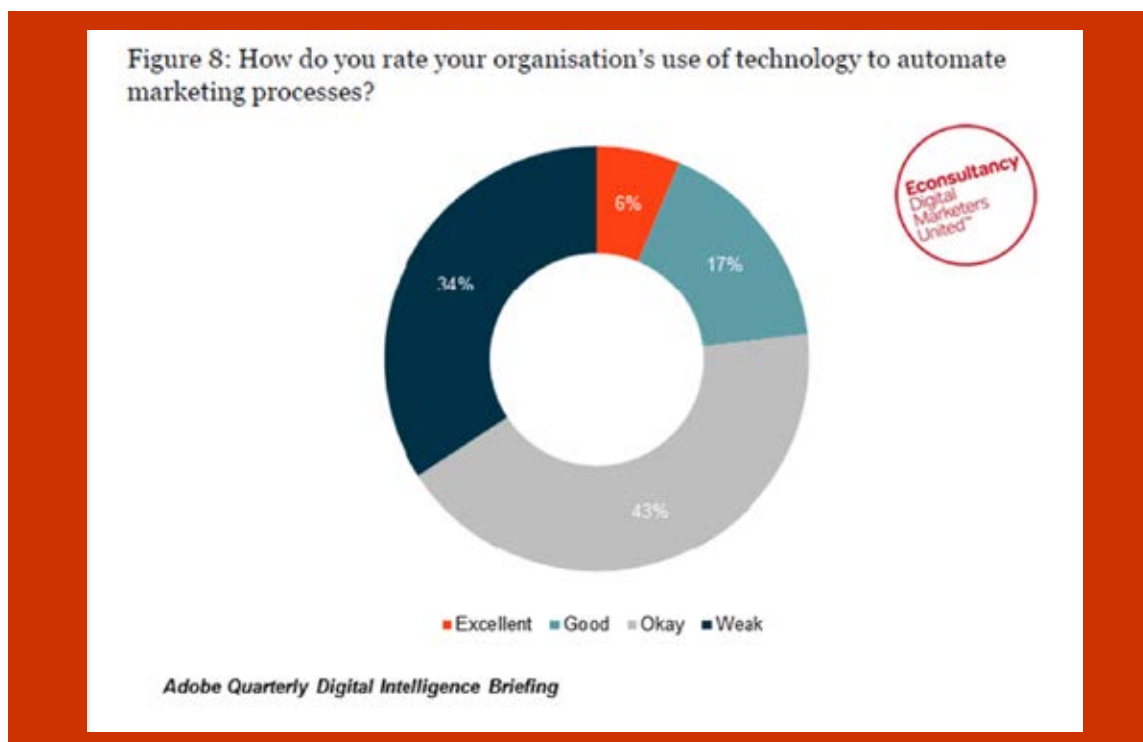
Adobe Quarterly Digital Intelligence Briefing

It looks like companies are struggling with using the technology to its full potential due to it being too resource intensive, with 64% of companies sharing this view.

Furthermore, senior executives appear to be unconvinced of the assets of marketing technology, with as many of the respondents likely to agree as disagree that decision-makers understand its importance. This tendency, according to the report, results in the failure to supplement technology spending with “an adequate spending in strategic thinking and analysis.”

**5** Cautious uptake of marketing automation in Europe. The technology is not used to its full potential [Quarterly Digital Intelligence Briefing (Europe)] Just under two-thirds of European marketers are using or planning to use marketing automation technology, while more than two-thirds of companies surveyed (69%) say that using marketing automation has no impact on their bottom line or that the impact is minor. This, according to the authors of the report, is evidence that most organisations are not utilising the technology to its full potential.





What is more, a staggering 34% say their use of marketing automation technology is “Weak”, while a mere 6% rate it as “Excellent”.

What do these stats indicate? It looks like businesses are slowly and cautiously taking to digital marketing technology but while senior executives are investing in marketing automation, they are not really doing so in a strategic way. The data analysis indicates that businesses should invest significantly more time, resources and strategic thinking to reap the full benefits of marketing automation. It is an all-embracing process – or rather, set of processes – that need to be backed up by a definitive marketing plan as part of the overall business strategy. Marketing automation is not a strategy in itself but a functionally rich tool for the implementation thereof, which takes a while to customise, configure and adjust.



# WHY MARKETING AUTOMATION?

Marketing automation has been the bone of contention in the world of digital marketing - while SaaS providers tout it as being highly effective in streamlining marketing processes and cutting costs, many businesses are still working out how to reach its optimal efficiency, with real scope to improve results.

Automating and integrating marketing tasks, working across multiple channels and platforms, and aligning marketing and sales activities appears to have become essential for marketers in their effort to harness, utilise and make sense of 'big data'. Marketing automation has emerged as the software solution that matches the trends in online consumer behaviour. The fact that its adoption is prevalent in B2B companies should be seen as indication that businesses in B2B consider it a valuable asset and a way to stay ahead of the competition. According to Quarterly Digital Intelligence Briefing – Social Data, the question is “not whether to invest in data management, but rather when, and how much”.

But let's have a look at precisely what marketing automation can do to improve B2B marketing processes.

## What's the fuss about?

“Marketing automation is a platform that supports the marketing process, enabling targeted communications that nurture leads until they are sales ready, better management back-end technology that enables better, faster, more relevant, more accountable marketing on the front-end.”

(Marketing Automation Best Practices, Econsultancy)

Marketing automation...

## **1 Unifies user data for tracking, analysis and optimisation.**

One of the key marketing automation capabilities is the fact that it acts as a repository for all sorts of behavioural user data – from the first website visit to the engagement with the business in social media to the last stage of the buying process. Being easy to access, reports of user behaviour and sentiments can thus be measured and analysed, which opens the doors for the creation of personalised, more relevant, better targeted content that is likely to drive action and resonate with the user. This marketing intelligence can then be infused into the marketing strategy and used as an indicator for predicting future marketing performance. One caveat: don't fall in the trap of pulling in just any data or it might become overwhelming! Make sure you customise your platform so that it only stores intelligence that is relevant and you plan to put to use.

## **2 Shapes a lead's profile progressively.**

This marketing automation capability has to do with data collection whereby a user's interaction with a company, whether they have filled out a form, downloaded a case study, watched a video or +1'd your Google+ brand page, is recorded continually, thus updating the user's profile over time. Progressive profiling is crucial for establishing the exact position in the buying process and determining future steps of engagement with a lead.

## **3 Provides the capabilities for lead grading.**

With progressive profiling, the marketing and the sales teams have a clear idea about exactly where each lead is in the sales funnel. Based on this intelligence, it is down to marketing and sales to establish rules for determining the value of each lead. Marketing automation offers a standardised and automated lead grading process but only after it has been configured and customised manually by marketing and sales. Lead grading is usually performed by combining demographic and behavioural indicators and a dynamic score is generated on the basis of these. A lead's score is used to determine how likely they are to convert at any given moment and what content could be created that would push a lead down the sales funnel. Based on this information, a lead could be either passed on to sales or put back into a lead nurturing programme.

## 4 Nurtures leads on a ‘drip-feed’ principle.

Very few, if any, leads are sales-ready after visiting your website for the first time or downloading your latest white paper. Lead nurturing is a way to maintain a relationship with a prospect, regardless of their willingness to buy. They may never return or become a customer but how do you know that is the case? Marketing automation platforms allow B2B marketers to set up automated nurturing campaigns that are triggered by a prospect’s action and offer different pieces of content over time on a ‘drip-feed’ basis. This means that you need to carefully time and establish the frequency of each campaign. Although it is not easy to determine how often is too often and how much is too much, you should be able to tell by the response your email campaigns receive. If you are getting too many unsubscribes, maybe you are being a bit pushy. If the emails are not getting many clicks, perhaps people did not find your content engaging or relevant, or you need to rephrase your message. The rule of thumb here is, ‘Listen and react!’

### **It’s not the tool that fails, it’s the content!**

“When run well, marketing automation should provide leads and customers with exactly what they need and nothing more. It should be interesting, relevant, and useful. One of the biggest errors with marketing automation tools has to do with the content strategy, not the tool itself. Without smart, tailored, useful content – marketing automation is just an intelligent spamming tool.”

(10 Commandments of Marketing Automation, HubSpot)

## 5 Closes the loop between marketing and sales

Marketing automation platforms are an excellent ways to align marketing and sales processes – through closed-loop analysis integrating marketing automation software with CRM systems, the two teams can track a lead’s lifecycle and gather intelligence for testing and optimising both existing and future marketing campaigns. The good thing about marketing automation is that measuring and analysing is a continual process. The only thing that needs to be done from the very start is set the right metrics. According to Marketo, B2B companies should steer clear of “vanity, feel good, metrics” such as retweets, blogs views, etc., and focus on indicators of quality and results, as opposed to quantity and activity.

## Success Story

One and a half years after UK recruitment software company FireFish Software adopted an inbound marketing approach and integrated their marketing activities around HubSpot's all-in-one marketing automation tool, the company reports:

**364%** increase in traffic from organic search.

**235%** increase in leads

**129%** increase in traffic from social media

**84%** cost saving per lead.

Says Wendy McDougall, CEO of FireFish Software:

*“Without HubSpot Software, we’d have found it very difficult to qualify how likely a potential client was to purchase. With HubSpot Software, we have a good idea of how ready a lead is to buy before the sales team are even involved, meaning their time is used much more efficiently.”*

# CONCLUSION

With an estimated 70% of the buying cycle complete by the time a lead engages with a sales person (Econsultancy Marketing Automation Best Practices), it is of utmost importance to ensure that a prospect has a positive online experience, with engaging, relevant and timely content delivered when and where they need it. By integrating user data with web analytics and capabilities for lead grading, nurturing, content delivery and optimisation, marketing automation has the potential to make B2B digital marketing a straightforward and cost-effective endeavour.

However, simply purchasing the software, sitting back and waiting for it to work its magic won't yield the results marketers hope to achieve. You have to be willing to invest the right time and resources into configuring and optimising the platform, while integrating it into your overall marketing mix. Remember, no matter how sophisticated, technology is no substitute for the power of thinking – it is just a tool for the execution of your marketing strategy.

Marketing automation platforms can be challenging to set right but once configured, they turn into powerful tools for streamlining marketing activities and aligning marketing and sales.

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