

The hidden value of the marketing budget

Presented by:

Parin Mody

Global Director, Business Development

@mparin



marketing objectives & options

Objectives – What?

Increase revenues – build relationship that creates an increase in demand for more products/services

Example: nurturing programs based on customer needs

Increase speed – accelerate the consideration process by getting the right information at the right time to the buyers

Example: behavior-based auto-responders

Options – How?

Increase conversion – optimize CTA's to get more buyers to raise their hands

Example: landing page testing and optimization

Increase efficiency – leverage and scale integrated marketing communications to maximize ROI

Example: communication templates for re-use or promotion of campaigns via additional low cost channels



where the strategic budget goes

Marketing objectives that command B2B budgets



Top 3 priorities

- demand generation
- product marketing
- marketing operations

Base: 563 marketing executives in North America and Europe at B2B companies with 100 or more employees

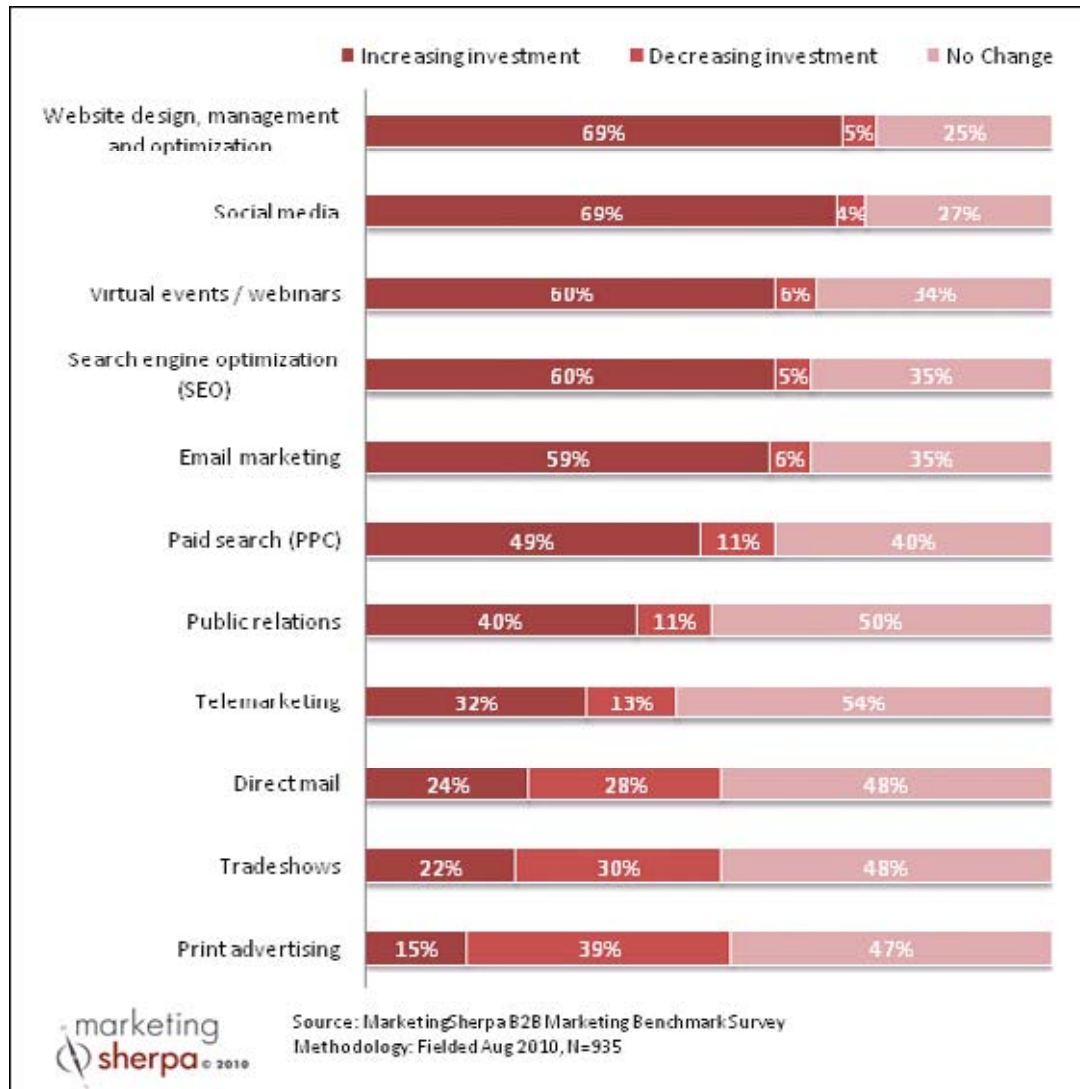
Source: Q4 2010 North American And European B2B Marketing Organizations And Investments Online Survey

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Source: Forrester Research, Inc.



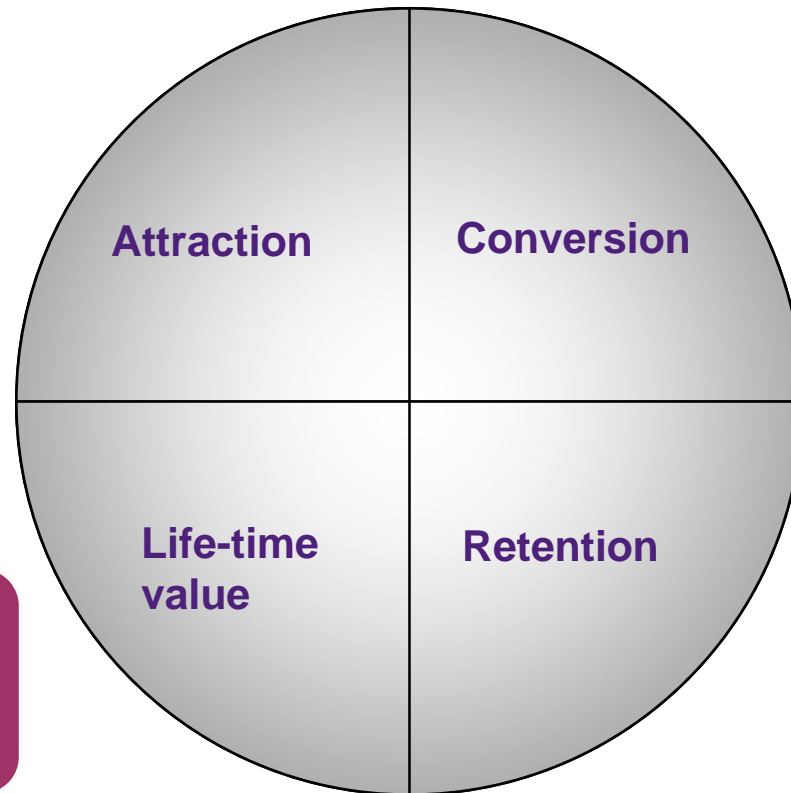
where the tactical budget goes



Marketing tactics that get more/less B2B budget

measuring ROI in stages

How much does it cost to attract each new visitor or prospect?



What is your conversion rate from visitor to opt-in?

How many transactions does the average customer make over time? At what value?

What percent of your opt-ins become paying customers?

challenges measuring ROI

Many marketers do not build metrics in from the start:

- 62% of marketers struggle with “turning data into action
- 57% say their top bottleneck is measurement, analysis, and learning
- 53% of marketers use social media marketing but find it difficult to measure the value
- 44% of marketers are using mobile apps and are just starting to integrate with email

Source: 2011 Unica Marketing Survey

the role of demand generation in ROI

Demand generation is critical for B2B marketers who need to get the most value from their marketing budget.

- customer profiling – what does your customer look like?
- database segmentation – start simple, group contact data by a common set of criteria
- automated/triggered campaigns – test and see what works, nurture active customers
- outbound promotions – target the same characteristics and behaviours as your test responders
- lead scoring – assign a score to each action that a prospect takes,

Economic impact – given the current economy, the marketing team needs to accomplish all of the above in a measured and cost-effective manner



propensity model example

	SIC Code	Accepted	Closed	Grand Total	Conversion Rate	AVG Activity Score
Telemarketing	58 - - EATING AND DRINKING PLACES	6	26	32	19%	0.77
	54 - - FOOD STORES	2	12	14	14%	0.75
Email	73 - - BUSINESS SERVICES	2	2	4	50%	1.34
	59 - - MISCELLANEOUS RETAIL	1	0	1	100%	1.84
Online	64 - - INSURANCE AGENTS, BROKERS, & SERVICE	1	0	1	100%	2.28
	79 - - AMUSEMENT & RECREATION SERVICES	1	0	1	100%	2.10
Direct Mail	39 - - MISC. MANUFACTURING INDUSTRIES	2	1	3	67%	1.42
	73 - - BUSINESS SERVICES	5	15	20	25%	1.06

propensity model example

Offer Type	AVG Activity Score
Email	0.68
Online	1.09
Email (Common SICs)	0.66
Online (Common SICs)	0.97
Email (Unique SICs)	0.69
Online (Unique SICs)	1.21
Direct Mail	0.42

Key Takeaways

Email had a consistently higher activity score

This can be seen most clearly when looking at SICs that responded to both online and email campaigns

This tells us that while the online campaign succeeded in creating more leads, it did not create more engaged leads than the email campaign

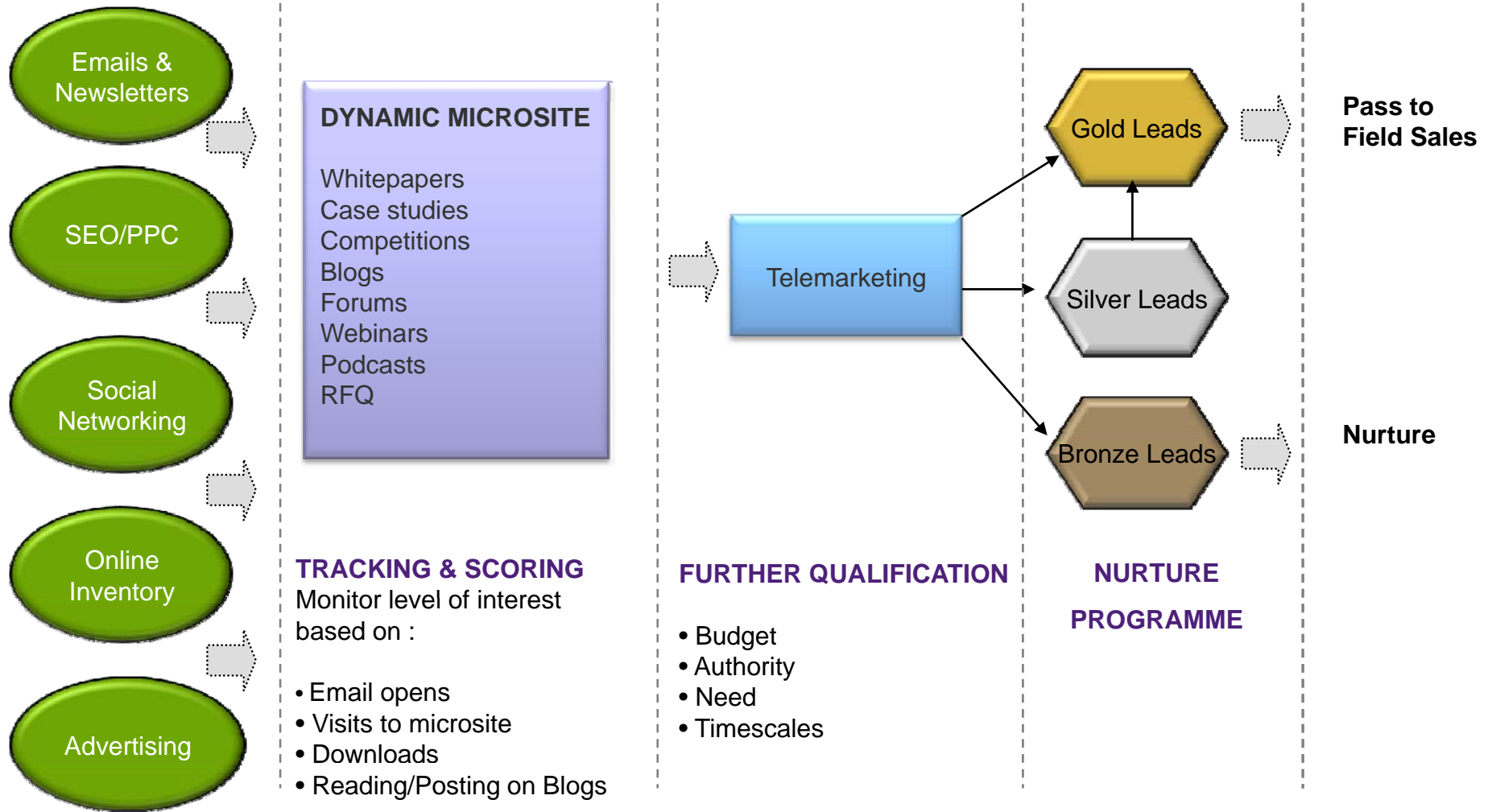
There are several SICs that we would recommend going after in the future:

59 - - MISCELLANEOUS RETAIL

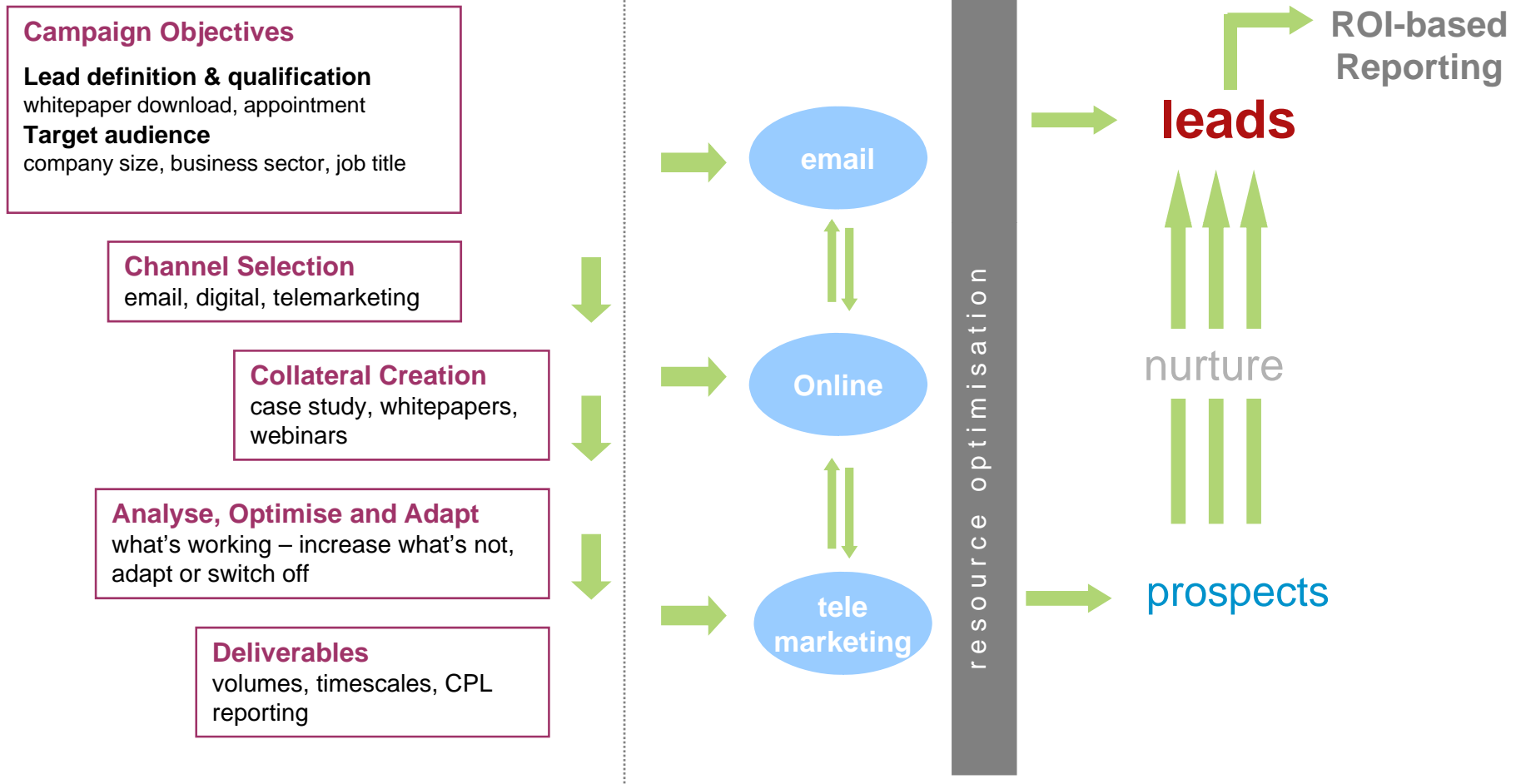
73 - - BUSINESS SERVICES

82 - - EDUCATIONAL SERVICES

strategic campaign workflow example



lead generation: tactical



multi-touch example: microsite driven



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multi-touch example: microsite driven

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Ford: awareness/lead generation

Company: **Ford**

The goals:

Increase awareness

Generate requests for a test drive



Ford: awareness/lead generation

Expandable skyscraper ad

When rolled over with cursor, the ad expands

The screenshot shows the caterersearch website interface. At the top, there is a search bar and navigation links. The main content area features a 'LATEST NEWS' section with an article titled 'Rezidor names managers for first Missoni hotel'. A large advertisement for the Ford Mondeo is positioned on the right side of the page. The ad is currently in its collapsed state, showing a dark background with the car's silhouette and the text 'Ford Mondeo'. A blue arrow points to the ad, indicating that it expands when hovered over. Below the ad, there are several promotional banners for 'Mobile' and 'Nestle Professional - Industry Resources'.

Ford: awareness/lead generation

Click through to the Ford mini-site for a short video and further information



FordMondeo

Quick links

It only takes a glimpse
Now it's time to discover why

Mondeo

Drag to explore further

08:00:00

Keep me informed | Request a brochure | Request a test drive | Configure your Mondeo | Dealer locator

To continue your experience visit www.ford.co.uk | [Terms & conditions](#) | [Privacy policy](#)

Feel the difference



Ford: awareness/lead generation

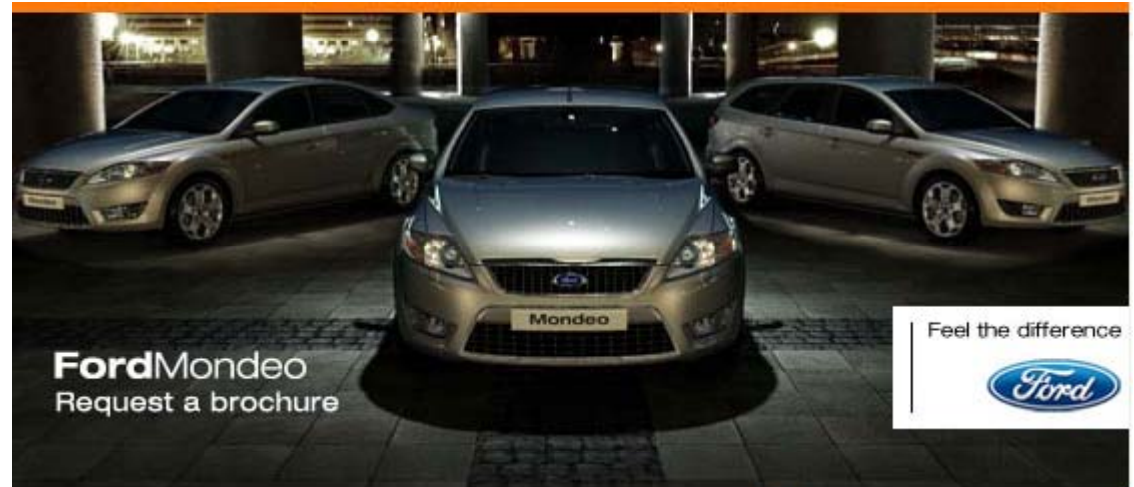
Asking for the lead!

Three lead generation calls to action:

Keep me informed

Request a brochure

Request a test



Address Search

House number\Name *

Postcode *

Search

Information

Ford Motor Company
Limited values your privacy
and personal data. All
information you provide will
be protected by our Privacy
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Brochure Request Form

customer retention/development

Who?

- leads not ready to buy
- customers for upsell/cross-sell
- trial/pilot customers, etc.

Marketing challenges/pain points:

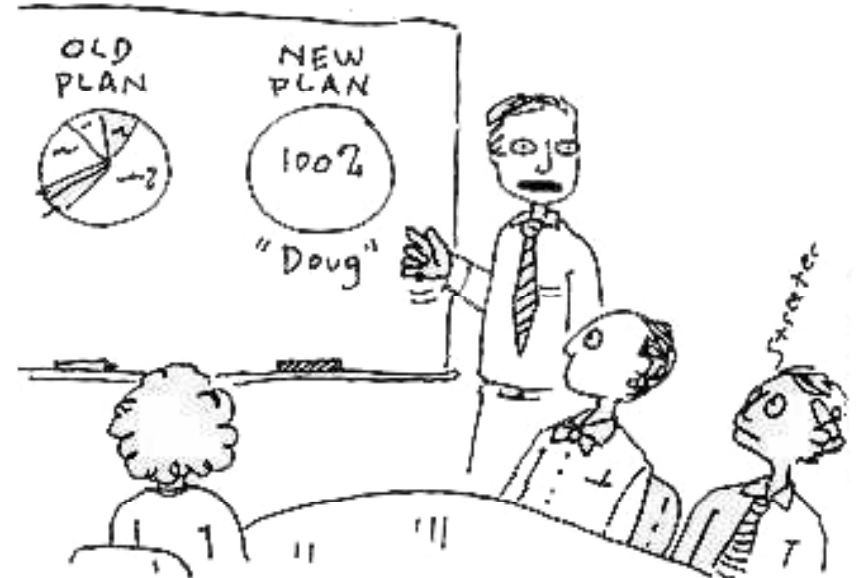
- leads not qualified by inside or field sales
- old/dormant leads sitting in CRM
- lack of a method to prioritize
- no structure to nurture to “sales readiness”

Bottom line

- wasted investments in lead generation
- decreased marketing department credibility
- decreased sales productivity

What?

- segmentation
- personalization
- relevant call-to-actions



“We’re changing our sales plan. From now on, instead of trying to get lots of customers, we’re going to find just one really, really rich person to buy a whole lot of stuff.”

improve ROI with lead scoring



“We felt that this way, at least your bonus would reflect some element of personal skill.”

Lead scoring and nurturing improve ROI

Objectives:

- improve conversion to qualified leads
- improve quality of leads
- prioritize follow-up
- harvest dormant leads and re-engage
- helps measure channel effectiveness

strategic nurturing objectives

Lead/customer nurture strategy:

Build trust within your customers and prospects

Educate them:

- who are you?
- what does the company do?
- how does it benefit them?

Establish credibility as experts

Be relevant to the issues /pain points of your different segments

All of the above will help you differentiate your organization as a partner to the prospect as opposed to a vendor

lead nurture: rules of engagement

1. do not initiate contact without a clear objective
2. start with the customer, not with your product/service
3. pick-up where the interaction left-off
4. don't ask the prospect for the same thing more than once
5. make the interaction personal and personalized
6. deliver information that reflects what you've learned about them
7. learn about the customers/prospects in bits ... not all at once



“So, how do you want to play this?
Nature, nurture, or a bit of both?”

defining your lead nurturing program

1. Define your objective
2. Define the WHO
3. Define collateral needed

Touch point:

- emails
- postcards
- phone scripts
- letter

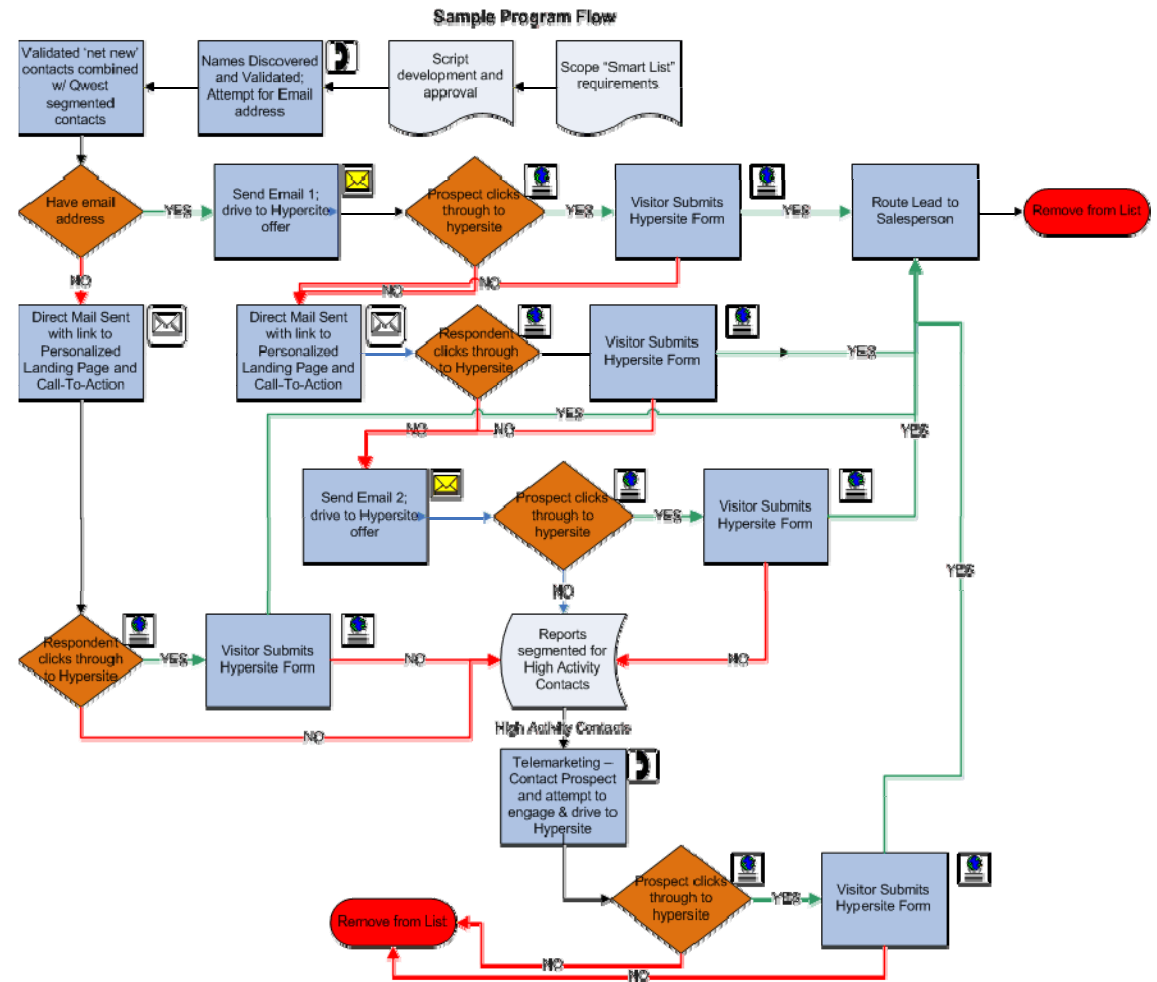
Content assets:

- white papers
- webinars
- analyst reports
- podcasts
- articles
- flash demo
- research papers

Interactive media:

- poll / survey
- scorecard / rank yourself against your peers

4. Map out the customer experience
5. Test and launch
6. Ongoing evaluation and monitor reporting
7. Keep content fresh



dynamic lead scoring model

Score on profile fit and level of engagement

Profile Fit

A = Target fit (BANT qualified)

B = Potential fit (nurture)

C = Not high enough now

D = Not a fit

Level of Engagement

1 = Showing buyer interest

2 = Showing some interest

3 = Not enough information

4 = Inactive

Don't send unqualified leads to sales... nurture

Nurturing programs generate on average:

- 7-10% increase in marketing qualified lead (MQL) generation
- > 50% acceptance from sales (SAL)

“Marketing dashboards help address one key tenet of marketing accountability – the transparent communication of results.”

Forrester Research



lead scoring model: example

Profile Fit								
Category	Ranking	Weighting	Field Values	Tier	Score	Max Score	Profile Fit	
Pain / Need / Solution Interest	1	30%	Field Value 1	Tier 1	30	30	A	75 - 100
			Field Value 2	Tier 1	30		B	50 - 74
			Field Value 3	Tier 1	30		C	25 - 49
			Field Value 4	Tier 2	15		D	0 - 24
			Field Value 5	Tier 3	8			
Job Role	1	30%	Field Value 1	Tier 1	30	30		
			Field Value 2	Tier 1	30			
			Field Value 3	Tier 1	30			
			Field Value 4	Tier 2	15			
			Field Value 5	Tier 3	8			
Industry	2	20%	Field Value 1	Tier 1	20	20		
			Field Value 2	Tier 1	20			
			Field Value 3	Tier 2	10			
			Field Value 4	Tier 2	10			
			Field Value 5	Tier 3	5			
Lead Source	3	10%	Field Value 1	Tier 1	10	10		
			Field Value 2	Tier 2	5			
			Field Value 3	Tier 3	3			
			Field Value 4	Tier 3	3			
			Field Value 5	Tier 3	3			
(Other)	3	10%	Field Value 1	Tier 1	10	10		
			Field Value 2	Tier 2	5			
			Field Value 3	Tier 3	3			
			Field Value 4	Tier 3	3			
			Field Value 5	Tier 3	3			
			Total Possible			100		

lead scoring model: example

Engagement							
Category	Ranking	Weighting	Time Frame	Score	Max Score		Engagement
High Touch Event Participation	1	30%	< 6 Months	30	30		1 75 - 100
							2 50 - 74
							3 25 - 49
Form Submission	2	25%	3 days	25	25		4 0 - 24
			7 days	15			
			30 days	8			
Visited High Value Web Content	3	20%	3 days	20	20		
			7 days	10			
			30 days	5			
3+ Website Visits	4	15%	3 days	15	15		
			7 days	8			
			30 days	4			
Email Click Through	5	10%	3 days	10	10		
			7 days	5			
			14 days	2			
			<i>Total Possible</i>		100		

lead scoring and nurturing: best practices

Best practices:

- KISS – do not score on too many criteria as it will be unclear what values are defining the score
- sales and marketing SLA with protocol around MQL to SQL, follow-up, etc.
- focus on scoring criteria that has standardized values, this will facilitate program execution and ease refinement, as needed
- continuously re-evaluate and tweak the scoring system
- conduct a closed-deal analysis to uncover insights into conversions



marketing effectiveness measurement

	Suspect	Inquiry	MQL	SAL	SQL	Customer
Database Growth	# % Growth % Opt-In	# % Growth % Opt-In	# % Growth % Opt-In	# % Growth % Opt-In	# % Growth % Opt-In	# % Growth % Opt-In
Conversion Effectiveness		%	%	%	%	%
Acceleration Effectiveness		Days	Days	Days	Days	Days
Marketing Spend Effectiveness		\$	\$			

Low growth rates - Do we need to fill the funnel this quarter?

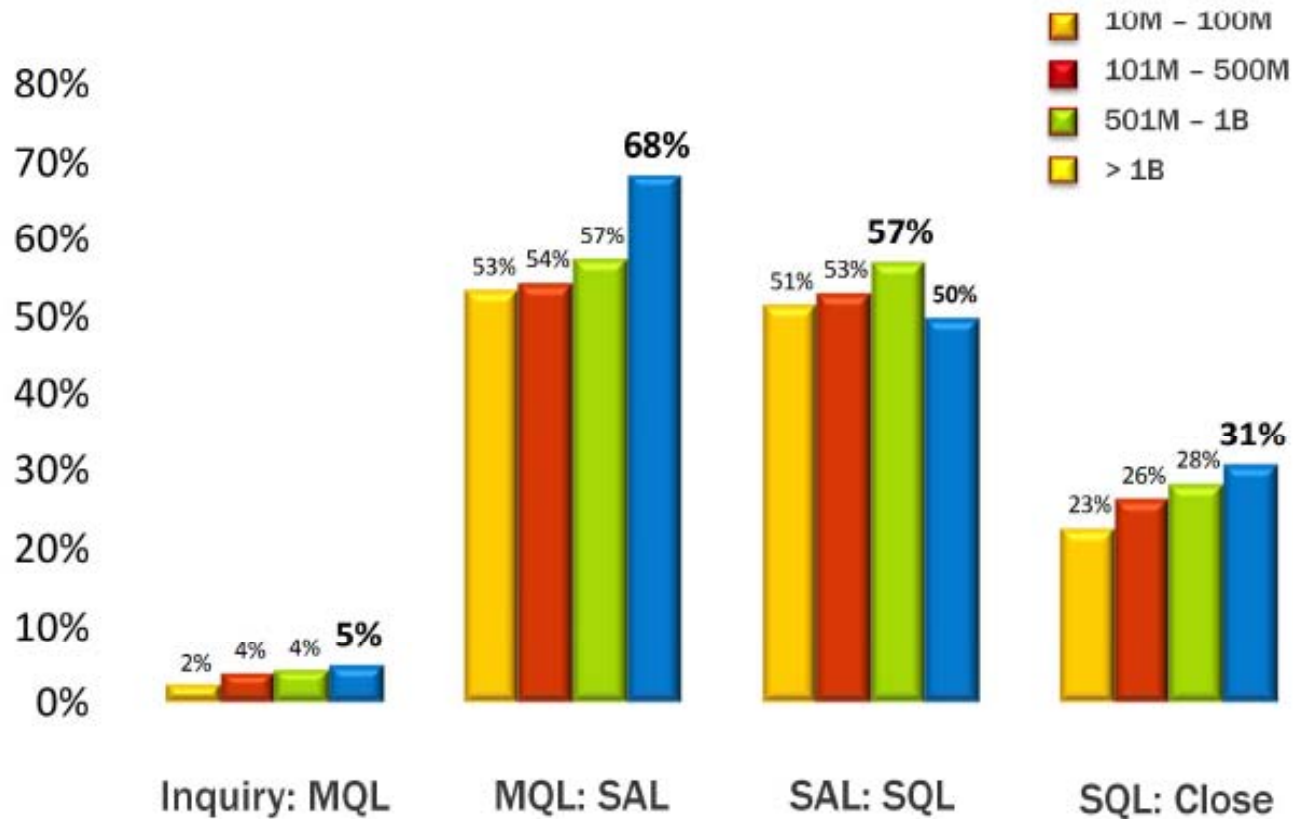
What campaigns could help remove obstacles in the sales process?

Are leads from advertising as qualified as leads from tradeshows?

Which are the most cost effective campaigns that bring us buyers?

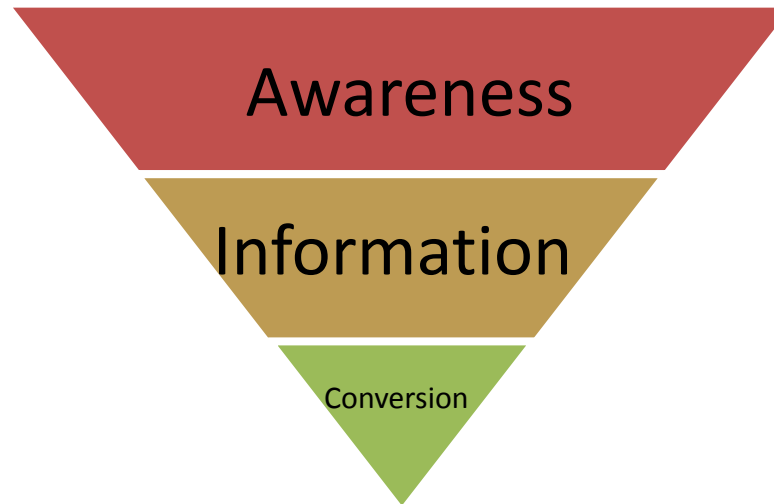
marketing effectiveness measurement

What Does Best-In-Class Look Like?



Source: SiriusDecisions

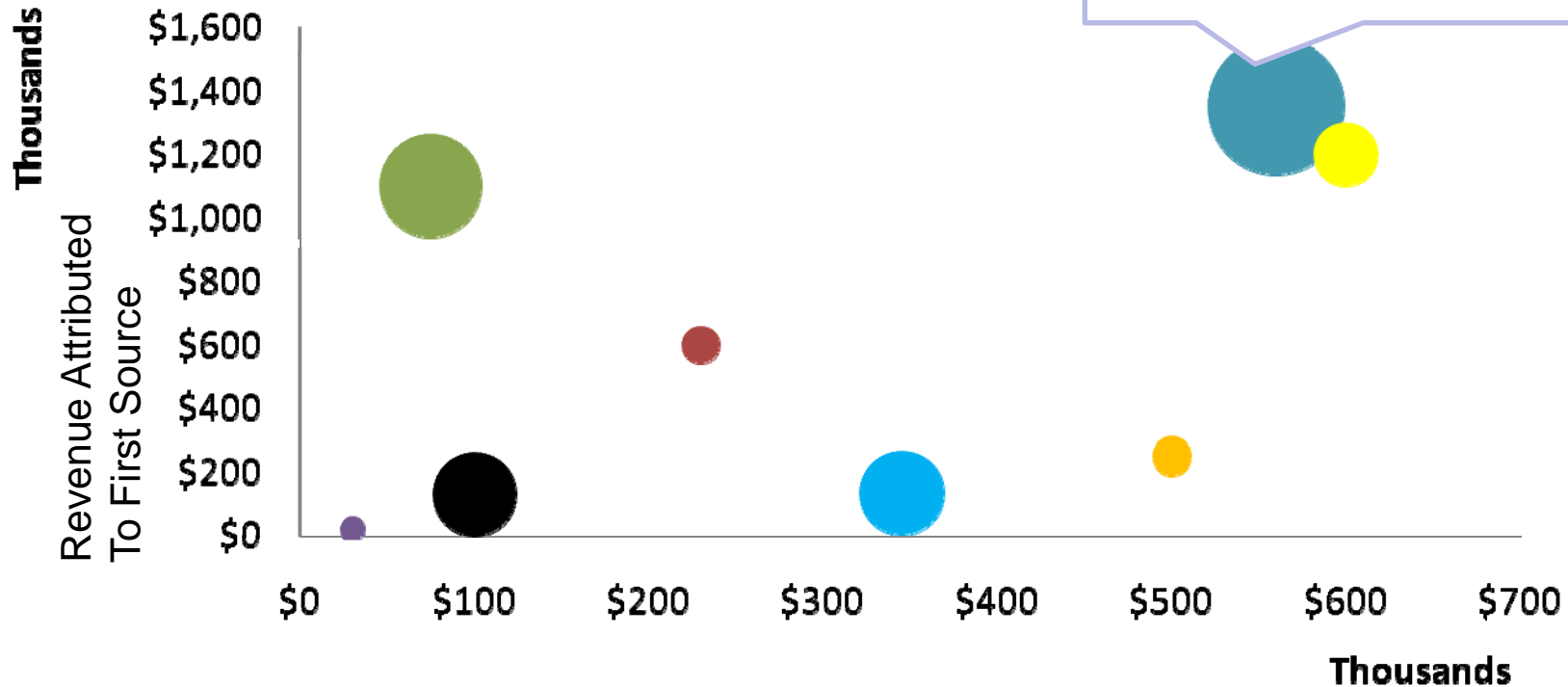
attribution model: ROI by channel



Marketing Source	Total Revenue	Total Spend	ROI
Banner Ads	10,264.29	5,000.00	105.29%
Search	28,965.00	30,000.00	-3.45%
Email	14,146.43	12,000.00	17.89%
Direct Mail	7,617.86	20,000.00	-61.91%
Telemarketing	5,135.71	15,000.00	-65.76%
Social Media	20,587.50	5,000.00	311.75%
Website/Microsite	49,181.31	50,000.00	-1.64%
Case Studies/Whitepapers	37,201.90	10,000.00	272.02%

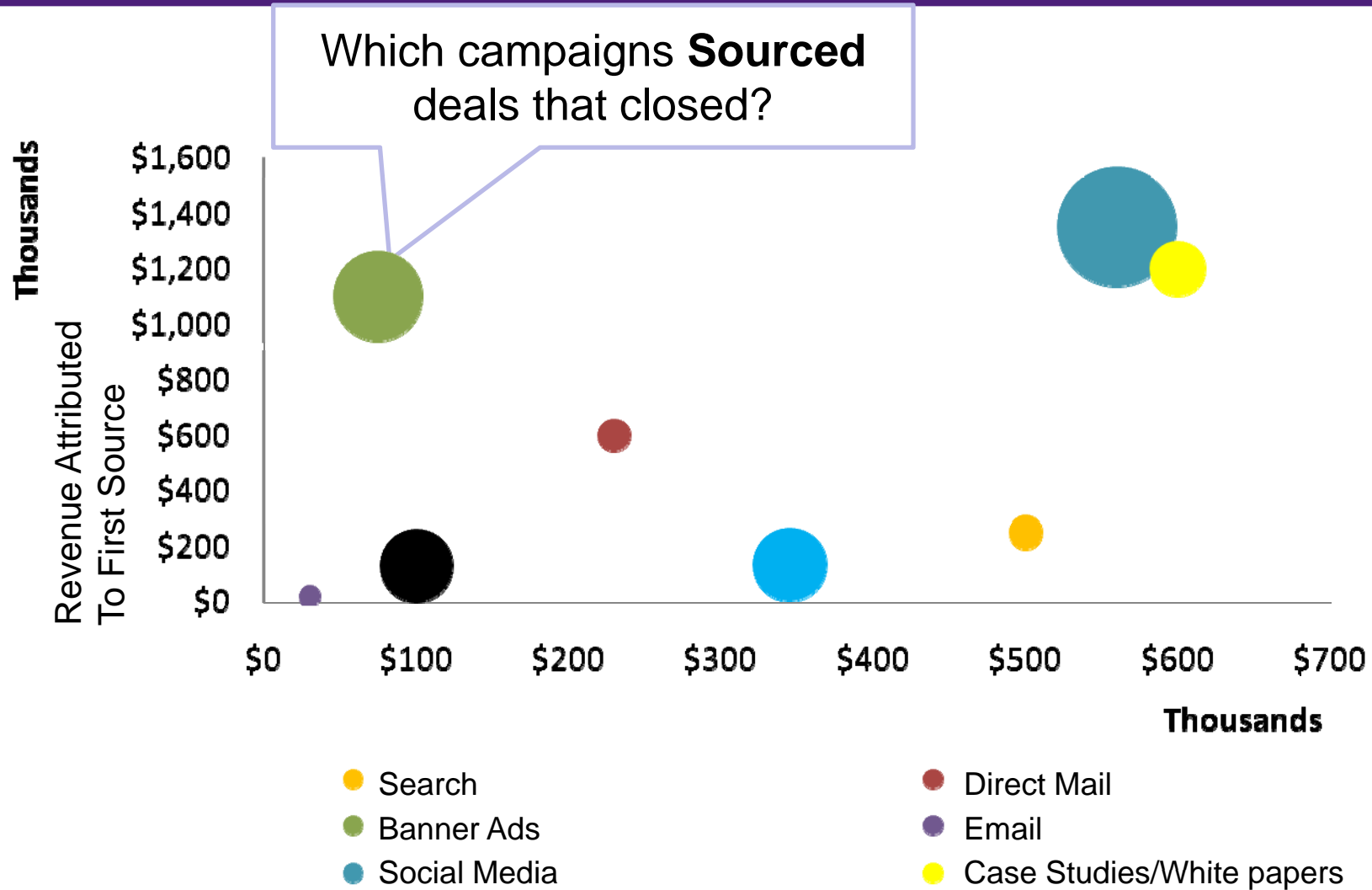
ROI: best performing campaigns

Which campaigns had the **Best ROI** (bigger is better)

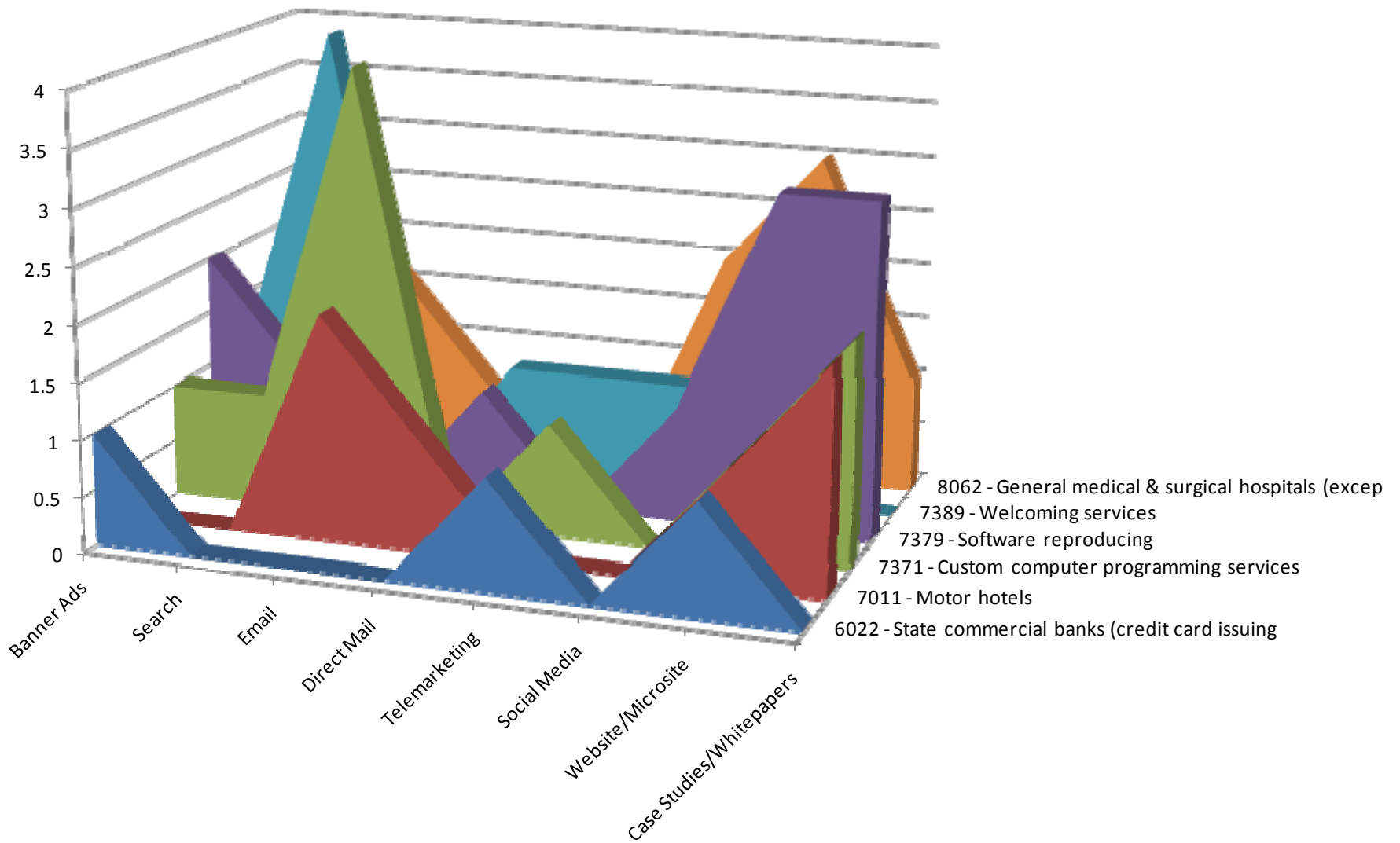


- Search
- Banner Ads
- Social Media
- Direct Mail
- Email
- Case Studies/White papers

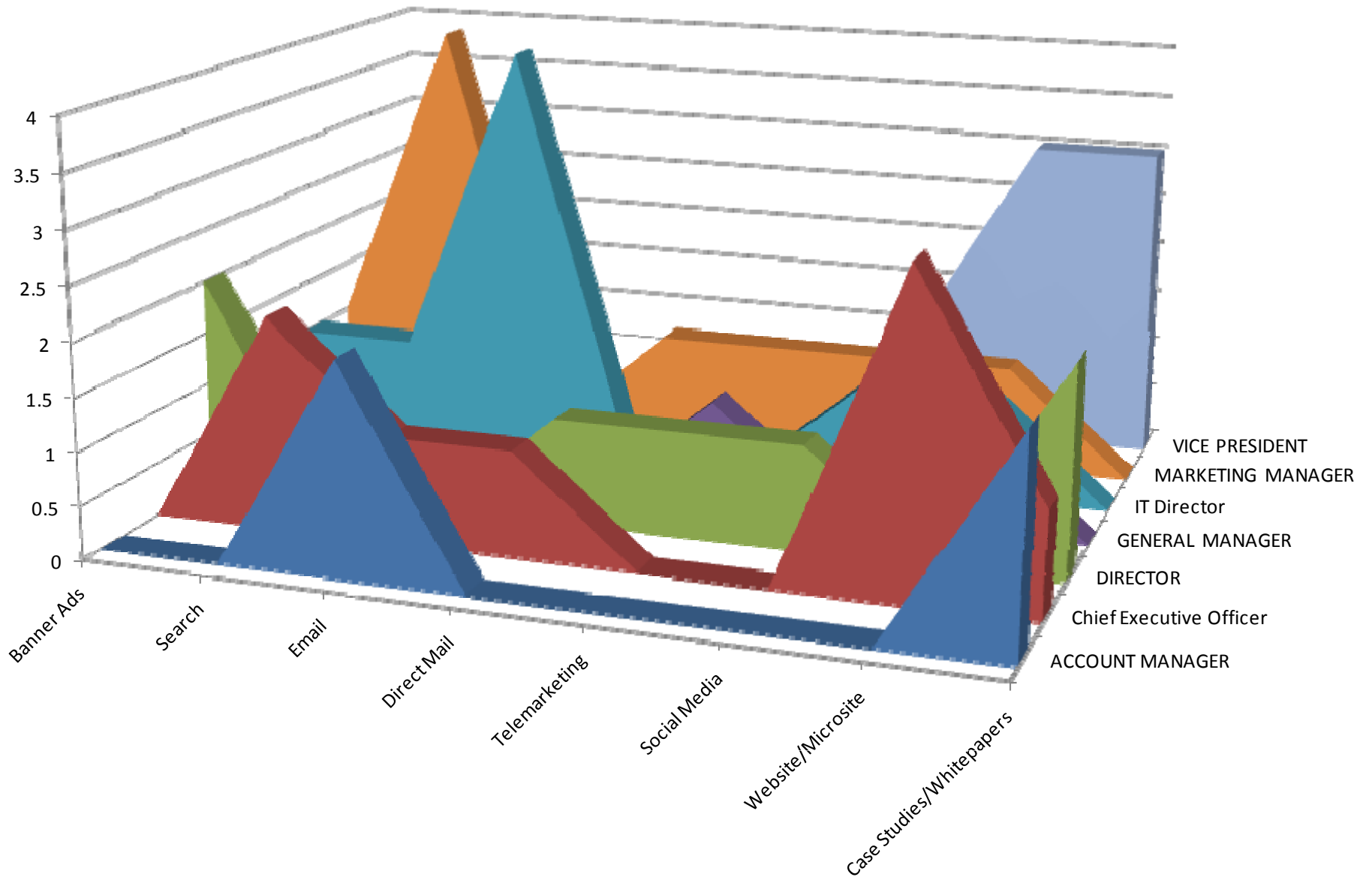
ROI: best performing campaigns



attribution model: ROI by SIC



attribution model: ROI by Job Title



measure what matters

Measure what matters for your business

Funnel value

- on track to meet revenue targets?
- how much revenue from each source?
- what is the quality of the pipeline?

Channel performance

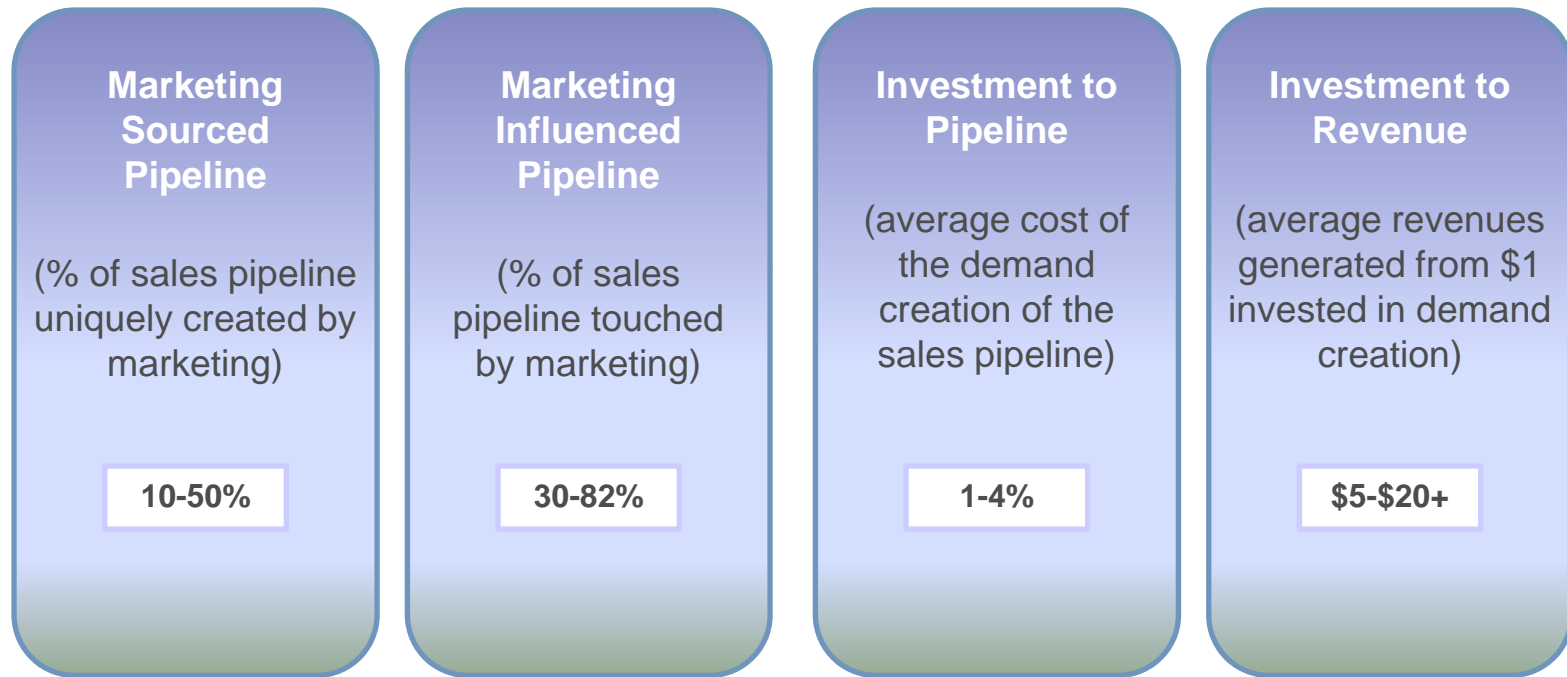
- top campaigns by lead acceptance
- top campaigns by number of high scoring leads

Investment effectiveness

- which campaigns yield the best returns?



benchmarkable



Source: SiriusDecisions, Cross-Industry averages for B-to-B Companies

marketing performance benchmarks



"It has come to my attention that you are taking performance enhancing drugs. Keep up the good work."

Performance benchmarks

- track improvement over time against KPIs
- prioritize & launch enhancements based on business objectives
- monitor demand generation process and measure its impact to revenues

thank you

Parin Mody
Global Director, Business Development

t: 020 8652 3477

e: modyp@mardevdm2.com
@mparin

Join Us:    [@taylorzoe](#)

