5 Ways Marketing Automation Provides Job Security for Marketers

About This White Paper

Expectations for business-to-business ("B2B") organizations to measure return on marketing investments and to justify marketing decisions have never been greater. New marketing channels, global competition, and rising internal expectations convolute budget allocation and make data driven marketing decisions more important than ever. It feels like the bar is constantly rising…and just out of reach for marketers. These pressures are causing B2B marketing leaders around the globe to evaluate software solutions that help measure marketing programs, validate and optimize budget decisions, and help them articulate the marketing performance to key stakeholders. This paper will review how marketing automation solutions can help B2B marketers automate marketing measurement and analytics to demonstrate the effectiveness of marketing programs and validate the pivotal role of marketing in the 21st century.

Background

There is no question that the marketing environment has evolved significantly over the past few years. Not so long ago, marketers could justify their budgets based on qualitative analogies and on the job experience. Today, the CEO, Board of Directors and shareholders are increasingly demanding quantifiable measurement of marketing spend and how it drives top-line growth. Unfortunately, companies that do not use a marketing automation platform often struggle to measure marketing ROI because of a lack of data integration and the complexity of managing multiple disparate technologies.

Without measurable and quantifiable results, marketers will have a difficult time justifying their budgets; but even more critical, their value and worth to the organization (i.e. their jobs). The fact of the matter is, the average tenure of a CMO is roughly two years[1]. As all marketers know, there are elements of marketing that will always be qualitative and difficult to measure. But measurement provides the foundation for making more informed decisions, even if metrics aren't 100% accurate. Marketing automation technology can streamline marketing measurement and standardize the use of key metrics over time thus providing job security for the CMO and all marketers. In a brief survey of marketing executives who use LoopFuse, 82% indicated they believed they can "articulate the value marketing contributes to the organization", "make more informed decisions based on pipeline value and effectiveness", and "prolong their lifetime as marketing leaders" as a result of marketing automation technology. Today's marketing automation technology is a powerful ally in helping marketers analyze, justify and measure marketing investments.

[1] *Executive Search Firm Spencer Stuart, July 2006*

How can marketers demonstrate measureable results?

In July 2009, Dr. Robert Shaw and Dr. Philip Kotler, published a manifesto for the American Marketing Association called "Rethinking the Chain; Make marketing leaner, faster and better."[2] In this article they stated "Marketing is the least efficient process in business today, and it's still vitally important" citing the need to simplify and streamline marketing execution with workflow, financial accountability, and asset management. They outline a framework for CMO's to re-structure marketing operations and focus on efficiency by linking disparate data and standardizing metrics. Recognizing the difficulty in attributing demand patterns to underlying causes or enhancing marketing forecast accuracy, Shaw and Kotler both suggest augmenting marketing operations with "scientific tools and analysis" (provided by marketing automation solutions) as one of the key steps to achieving more efficient marketing operations.

Marketers must be thinking about what's occurring today and anticipating what might happen tomorrow. Marketing automation technology helps B2B organizations make calculated decisions that help companies measure the effectiveness of campaigns and maximize the flow of qualified opportunities to the sales organization through integration with a CRM. By quantifying customer engagement, closed opportunities, marketing mix analysis, length of sales cycle, and campaign performance, marketers are empowered to demonstrate their value to the organization which ultimately provides job security.

5 Ways Marketing Automation Provides Job Security for Marketers

By building a cohesive strategy to drive accountability between marketing and sales, marketers become invaluable to the organization. Marketing automation technologies are critical components of this strategy because they can link disparate data and standardize metrics that can be used to validate strategic decisions and justify marketing spend.

Think about your own organization:

- Do you struggle to identify how to link revenue to marketing campaigns for return on marketing investment analysis?
- Does the sales team undermine or underestimate the value of the leads marketing produces?
- Are you having difficulty delivering effective, accurate, and relevant personalized messages to individual prospects?
- Would you benefit from knowing how and when a prospect chose to engage with you?
- Is visibility into lead data hindering your ability to demonstrate real value to your organization?
- Would you be more valuable to your organization if you could demonstrate marketing's impact on the top and bottom line?

If you answered yes to any of these questions, then the next section is for you. Isn't it time for marketing to take ownership and accountability for demonstrating tangible results? The following list demonstrates how marketing automation technology can deliver actionable insight that every marketer can use to link marketing execution to a tangible impact on top-line growth.

[2]*Rethinking the Chain: Make marketing leaner, faster and better, Dr. Robret Shaw and Dr. Philip Kotler, American Marketing Association, July 2009 http://www.cmo.com/innovation/rethinking-chain-make-marketing-leaner-faster-better*

❶ Track customer engagements and qualify the best leads for sales.

The process of engaging with customers and prospects across one or more channels is complex, and marketers simply can not realistically build relevant, timely, personalized relationships with every prospect unless they can automate this engagement. Marketers need to realize, it's <u>not</u> about the quantity of leads, rather it's about <u>quality</u> of leads. Marketing automation can help marketers review their pipeline and find out the attributes of the best opportunities and then automate prospect nurturing so only the most qualified and educated prospects are passed to sales as "sales-ready" leads backed by qualified and verified data.

Marketing automation tools integrate email marketing, web analytics, landing page creation, and other marketing channels for a comprehensive account-by-account view of the customer engagement. By tracking the number of "sales-ready" leads that are passed to sales over time, marketers can literally demonstrate how effective marketing collateral has been at converting prospects into qualified opportunities. Marketers gain credibility with sales and executive stakeholders when they can demonstrate exactly how the marketing budget translated into top-line opportunities for the organization.

Job Security Scorecard:

- ✓ Identify the number of <u>qualified</u> opportunities that are passed from marketing to sales.

- ✓ Real-time visibility into the sales pipeline for the C-suite, marketing, sales, finance, and operations.

❷ Automate the distribution of leads to sales and identify how many resulted in a closed sale.

One of the biggest challenges for B2B marketers is articulating marketing's impact on closed deals. Marketing automation gives the CMO visibility into the entire prospect pipeline from unqualified leads to each closed sale. This allows both marketing and sales to run win-loss analysis by marketing mix, or campaign, for a coveted return-on-investment analysis. Most marketing automation solutions tightly integrate with CRM solutions such as Salesforce.com to close the loop between marketing and sales. This dispels the myth that field sales organizations are the sole source of new prospects, not marketing. Both organizations can have a clear view of each lead, where it was generated and the close potential.

Marketing automation solutions also deliver a tangible impact on sales efficiency. Sales can focus their finite time on real qualified opportunities (based on the internal sales definition of a qualified lead). Marketing automation helps shift the burden of prospect nurturing and cultivation to marketing, which is where it should be. Marketers and sales functions can collaborate in lockstep to optimize the entire lead lifecycle process with joint accountability and real tangible metrics to measure success.

Job Security Scorecard:

✔ Win-Loss analysis from one centralized tool

✔ Identify which marketing messages had the best influence on close rates

✔ Marketing becomes a advocate instead of an adversary to sales – delivering true "sales-ready" opportunities to the hands of sales reps

✔ Demonstrate exactly how many prospects engaged in a call-to action and how many of these converted on a periodic basis

❸ Identify which marketing channels, or combination of marketing channels, have the greatest impact on lead conversion and revenue.

With so many marketing channels, it's difficult to tell which combination of channels to build into the marketing mix and how much budget to allocate to each of them. By measuring customer acquisition across marketing channels, the CMO can determine which channels are more likely to impact top-line revenue and allocate budget more effectively based on tangible results. Conversations with the CFO become much more meaningful when the cost per customer acquired can be linked to expected revenue targets and to the marketing spend. It's difficult for finance to reduce overall marketing budget without also reducing revenue targets when marketers can demonstrate the relationship between cost per acquisition and revenue.

The marketing mix can be analyzed based on the tangible impact specific marketing channels have on cultivating prospects. This allows the CMO to make better decisions about where to allocate budget based on tangible metrics, not gut feel. At the same time, marketing automation tools become a central database with marketing campaign information and sales information allowing organizations to calculate return on marketing investment by campaign, period, or marketing channel.

Job Security Scorecard:

✔ Justify marketing budget by demonstrating exactly which marketing channels drive the highest conversion rates.

✔ Calculate customer acquisition by marketing channel

✔ Forecast more accurately by linking customer acquisition rates to overall marketing budget. "If we spend this much money in the following channels, history tells us we can achieve the following revenue."

❹ Identify exactly how marketing can reduce the sales-cycle time and nurture prospects to action.

When was the last time you sat down and mapped your marketing collateral to your prospects buying cycle? Funnel analysis provides marketers with quantifiable data, reflecting the rate at which prospects are advancing through your sales process. This report answers the most important question a marketer has to answer "At what rate are my prospects moving along the lead funnel?" Marketing automation can transform this analysis and benchmark it over time delivering key metrics, such as the rate of conversion between first contact-to-conversion or lead-to-opportunity. This analysis can help marketers beef up nurturing and campaign initiatives accordingly.

Funnel analysis gives marketers visibility into the sales cycle and helps identify how marketing can do a better job educating prospects from lead to sale. Marketers can use funnel analysis as the basis for collaborating with sales by working together to build programs more efficiently at each stage of the pipeline. Marketers can then support the sales process with thought leadership or specific campaigns while sales may be able to provide key insight about the customers' buying triggers.

Did you ever want to know how many days it takes for your prospects to move from one step of your sales process to the next? Marketing automation can empower marketers with dashboard analytics on marketing and sales cycles. Insight into the funnel progress enables marketers to know exactly how long it's taking for prospects to move along every stage of the sales cycle and lead funnel. The ability to benchmark this metric over time further extends the power of this reporting tool. This information can be used to build better budget forecasts for finance and help the marketing department become more responsive to unpredictable market conditions. A sudden change in the sales cycle could alert marketing to changes in the competitive landscape or macroeconomic environment. The quicker marketing can take advantage of these changes, the more valuable they are to the organization.

Job Security Scorecard:

✓ Benchmark the lead-to-sales conversion rate over time. Identify when campaigns or initiatives drive above average close rates.

✓ Forecast more accurately by benchmarking the total number of leads it takes to drive revenue targets at the bottom of the funnel. Set realistic achievable targets for marketing and sales during strategic planning sessions with the CFO and CEO.

✓ Identify what roles are most likely to evaluate products and services and how to meet the unique needs of these individuals based on role, region, or industry.

✓ Identify how long it will take for prospects to convert to revenue based on historical averages.

✓ Identify bottlenecks in the sales cycle. Are sales reps incapable of addressing specific objectives? Does marketing material address all of the buyers core needs?

⑤ Make Marketing Intelligence Actionable

For most marketers, the challenge with channel proliferation is not a lack of data, but a lack of data integration. Disparate systems (email marketing, web analytics, landing page creation tools, digital asset management, and CRM) often fail to bring critical information together in one centralized location. Marketing automation tools should integrate with CRM solutions to deliver a centralized source of multi-channel analytics for one version of the truth in simple, drill down dashboard reporting designed for marketers.

Website Analytics allow organizations to quickly assess website trends with accurate statistics covering a wide-range of metrics. This type of real-time insight is critical to marketers so they can identify areas of improvement and better tune the website to increase message response. Likewise, marketers can measure response and engagement by incorporating call to action website links in email campaigns.

It's also important for marketers to track the success of their email campaigns, in real-time, to make adjustments or additions to a campaign based on user response. Marketing automation can provide comprehensive reporting across CRM and marketing tools, so marketers can see a complete picture of recipient activity, email bounces, bad email data, link activity, geographic breakdowns, as well as associated opportunity. Comprehensive reporting allows marketers to adequately judge the effect of marketing campaigns on real dollars.

Job Security Scorecard:

✓ Drill down reporting gives marketers the confidence to say "We have that information" instead of "I'm not sure" when the CFO or CEO ask for more granularity on trends in the data.

✓ Centralize prospect behavior across marketing channels. Marketing becomes an offensive asset in the organization. Rapidly adapt to changes in the market and streamline marketing campaign execution.

✓ Real-time dashboards standardize key metrics: funnel analysis, call-to-action, click-through rates, the number of qualified opportunities, website performance, and collateral downloads.

Summary

The rules of engagement are changing, but the rules of marketing accountability are changing more quickly. Measurement and analytics brings job security to the marketing function; particularly when traditional antiquated thinking and manual systems are failing to deliver a competitive advantage in any economy.

Marketing automation tools can help automate the process of optimizing marketing effectiveness and more importantly help marketers demonstrate their impact on top and bottom line results. The question every marketer should be asking is "How do I maximize my value to the organization?" If the answer involves demonstrating results or linking performance to top or bottom line organizational objectives, then it might be time to start embracing a marketing automation initiative. Don't wait much longer to get started... it could cost you your job. Instead, adopt marketing automation within your organization and ask your boss for a bonus based on qualified leads.

About Loopfuse

LoopFuse is a leading provider of on-demand sales and marketing automation solutions designed to close the loop between sales and marketing. Business-to-business customers leveraging LoopFuse achieve 50 percent more productivity from the sales and marketing organizations by efficiently scoring leads in the CRM (Salesforce.com or SugarCRM), assigning the leads to the most appropriate sales team, nurturing the leads to ensure they remain warm throughout the pipeline process and measuring the effectiveness of the sales funnel through reporting. LoopFuse provides organizations with the ability to build higher yielding pipelines, more efficient marketing departments and more effective sales—all resulting in increased revenue. LoopFuse is a private company funded by True Ventures. For more information on LoopFuse, including a free trial, please visit http://www.loopfuse.com and follow us on Twitter at http://twitter.com/loopfuse.