



Solving the Challenge of Lead Management Automation

How We Did It and What We Learned



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Background

Digital technology has changed everything. For business-to-business (B2B) marketers, not only have the channels increased, but buyer behavior has changed dramatically. Buyers now spend a lot more time online researching, engaging with colleagues and vendors, and evaluating offerings. This all happens, typically, before any person-to-person sales engagement occurs. Online is where prospective buyers will indicate that there is a sales opportunity and tell you what their distinct business issues are – and often, it's the first time they engage with a vendor. Today, buyers expect marketers to listen to what they say and, in return, deliver relevant content. The capability to have meaningful, two-way conversations with your prospective customers is critical to grabbing and keeping interest throughout the buying cycle.

As a B2B marketing organization that sells high-end software and solutions, we at SAS have encountered the challenges that come with this new buying cycle – one that often starts online. To address our marketing challenges, we found the best solution was to implement a lead management automation framework.

As part of this solution, we needed to develop customer insight so that we could effectively manage interactions across multiple channels and therefore improve our marketing efficiency. We relied on SAS' expertise in predictive analytics to evaluate customers' propensity to buy, to create analytical segmentation and to provide cross-channel optimization. All these technologies enable sophisticated, game-changing capabilities in the world of B2B digital marketing.

There are many dependencies that determine success. Content is critical; it's especially imperative that it be developed in sync with the buying cycle. Scalability is also a challenge. According to Forrester, "Lead management automation (LMA) requires a degree of process maturity many business-to-business (B2B) firms don't possess."¹

We begin our story by identifying the business challenges we faced – the same challenges that most B2B marketers share.

■ **Forrester defines lead management automation as:** "Tooling and process that help generate new business opportunities, manage volumes of business inquiries, improve potential buyers' propensity to purchase, and increase alignment between marketing activity and sales results."

– *B2B Lead Management Automation Market Overview: Multiple Vendor Choices and Confusing Claims Slow Adoption*. Forrester Research Inc. Sept. 22, 2009.

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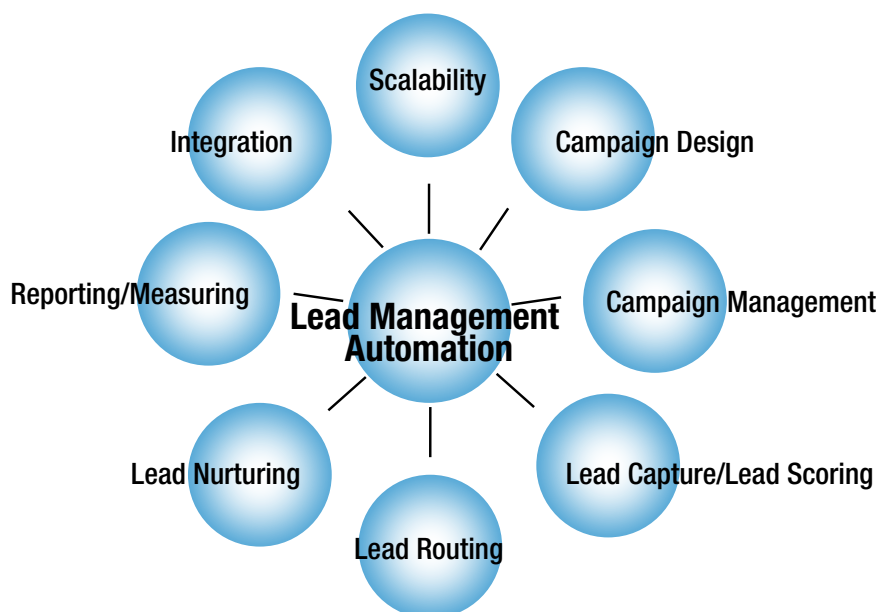


Figure 1: Lead management automation framework.

Business Challenges

Adapting to Digital Marketing

As with most B2B marketing organizations, we continue to shift our marketing investment to digital channels, both paid and unpaid. While this provides many new opportunities to engage with prospective customers, we have found there are just as many challenges as opportunities associated with this ever-evolving landscape. The profession of marketing has, in fact, fundamentally changed. Let's explore some of the bigger issues we currently face, as well as the approaches we've used to address them.

Issue: Buyer behaviors are changing.

The Web and all the other digital channels customers engage with are not going away – new ones will emerge, and others will disappear. What we know is that buyers spend far more time online today – reading news, engaging in peer forums and opting in to receive information they are interested in. Vendors are expected to be publishers and align content and offers with the buying cycle.

Approach: Introduce technologies and processes to assist with this complex buying cycle. Now, marketers can listen to what buyers are telling them from all channels and begin to deliberately influence the path a prospect takes. This is true one-to-one marketing.

Issue: Engagement and conversion strategies are ineffective.

B2B digital marketers have been holding some of their best content hostage behind registration pages. Even though conversion numbers continue to dwindle, this tactic is still the cornerstone for lead generation.

Approach: Shift to lead nurturing. Online analytics combined with lead scoring have changed the game for lead capture. There are still needs for opt-in and data capture, but you can think far more strategically about this with new tools in place. Lead nurturing is the optimal strategy here – identifying that a majority of potential prospects you engage with are not ready to buy and must be engaged with in real time with the appropriate content or offers. The overall goal is to learn more about customers' online behavior, improve their experiences and ultimately increase revenue. For instance, if we know a prospect landed on our site from a specific keyword search, we can then provide additional relevant content in real time and improve the overall experience of navigating our website.

Issue: Deciding what to do with inbound search traffic.

Google delivers more than half of all traffic to our corporate sites. Inbound traffic implies intent. But until recently, inbound channels were largely lumped with outbound campaign metrics, qualification and routing.

Approach: Avoid combining inbound and outbound channels. There happens to be a valuable amount of data captured from inbound behavior – search phrase, online path, content and offers accessed are just a few. If you combine inbound and outbound channels, you can't capture all this valuable data. Content development should largely be driven by insights derived from both channels.

Issue: Difficulty matching online behaviors with real-time dialogue to engage customers.

For marketers with a lengthy, complex sales cycle, it is still imperative to engage a potential buyer as quickly as possible with relevant information. Tools like "click to chat" help with this. But to handle the volume of interactions at multiple stages in various buying cycles, you'll need a more rigorous solution.

Approach: Develop business rules for one-to-one marketing. Process and technology are the cornerstones for handling large volumes of interactions. Implement a rigorous solution that tracks and scores data across multiple touch points, utilizes marketing automation, and surfaces appropriate content and offers.



Figure 2: Technology framework for automating lead scoring and event-triggered e-mail communications.

Developing Multichannel Campaign Management

Digital channels continue to multiply at a pace that is unsustainable for marketers to manage. Technology and process play a significant part in successful deployment, interaction and analysis of communications across multiple channels.

Issue: Channels are expanding.

Managing the multiple-touch-point digital environment is becoming more and more of a challenge. Our target audiences are everywhere. In the past, we were fragmented, with no scoring or automation mechanism. This led to some assumption-based marketing, delayed follow-ups and no real understanding of what the customer was looking for.

Approach: Using the lead management automation framework, we can now connect, score, profile and automate the next logical communication across dozens of digital channels. Deep analytical insight applied to scoring, customer segmentation and marketing optimization makes these improved functions even more powerful.

Issue: Marketing automation.

Previously, we had no way to automate simple decision processes.

Approach: Now, we have the capability to utilize complex interaction management across multiple channels. Done right, this framework can facilitate the management of an explosion of channels – Web, social, mobile, tablet, syndication, search, advertising and more to come.

Issue: Cross-channel optimization.

This has been a persistent challenge for virtually all B2B marketers. How do you answer questions like: What is marketing ROI? What is marketing accountability? What impact on revenue will occur if 15 percent of your budget is cut? Which channels are best for new revenue? For customer retention?

Approach: These questions can all be answered with analytics. To develop solid answers, it's important to integrate across multiple data sources, marketing technologies and finance systems.



Figure 3: Integrated systems, solutions and technologies work together to enhance digital marketing efforts.

Improving Conversion Rates

Converting more leads to sales opportunities – and potentially increasing sales – is our primary objective for creating a lead management automation system and methodology. There is more to it, of course, as we delve deeper to look at customer experience, marketing investment efficacy and brand relevance.

We recognize that further improvements in the following areas will help us achieve our goals:

- Building additional models could provide valuable insight into buyer behavior, such as by showing propensity to buy and propensity to leave.
- Understanding how the double-digit lift on the lead-to-sales-opportunity conversion rate will affect downstream revenue.
- Development of an end-to-end process that aligns marketing activity with sales results would lead to improved performance.
- More rigorous reporting for sales and marketing would allow for real-time modifications and improved customer interactions.

Implementing Lead Management Automation

At most midsize to large companies, a transformational shift needs to take place across people, process and technology before lead management automation systems can work optimally. No two companies will have the same challenges as they begin implementation. Following are the foundational steps necessary to get started.



Figure 4: A standard business tactic for successfully implementing an analytical customer engagement strategy starts with data integration and evolves to automation and insight – and finally to analytics.

Build an Internal Framework for Customer Intelligence

To build a sound customer engagement strategy, you must understand your customers' behavior from all channels. One way to achieve this is through an enterprise customer intelligence strategy. Successful customer intelligence projects typically follow this order of evolution:

Focus on the data

First, integrate your data to create a consolidated operational data store. Then, develop a set of requirements for that data from operational data sources to build a centralized data mart that holds key information on contacts and accounts you will market to. When building your business requirements, think about the types of customer behavior

you want to track and score. Some examples are preferences that customers selected on your website, search terms, white paper downloads, webcasts attended, etc. You will need:

- Data collected from the Web:
 - Downloads.
 - Online behavior.
 - Online analytics.
- Data from your salesforce automation tool:
 - Information about current sales.
 - Account intelligence.
 - Lead information.
- Data from your marketing interaction system:
 - Historical marketing interaction information.

Deepen customer insight through analytics

Capture both offline and online customer actions using analytics to deepen customer insight – and create model scores that enable you to deliver the right message at the right time through each customer’s preferred channel of communication. Then, create strategic customer segments based on this insight.

Develop a scoring methodology

Don’t over-think it. Keep it simple to start with. It’s also important to use a good scoring mechanism to help separate the hot leads from the cold leads.

Score according to who the users are. Assign points to title, function, industry, company size and propensity to buy (based on similar profiles). You should also score what users do. Assign points to assets they download from the site, where they visit, how long they spend in each place, depth of research, origin of visit, etc.

Collaborate with sales and agree upon a “sales-ready” score, which will indicate when leads will be passed to sales. It is critical for your salespeople to be committed to and engaged in this process; they will be able to offer insight on content, messaging, offers and timing – among other things.

Consolidate leads into categories of what you want to do; for example, hold, nurture or pass to sales. Finally, integrate online analytics tools to enhance your scoring models and to track online behavior.

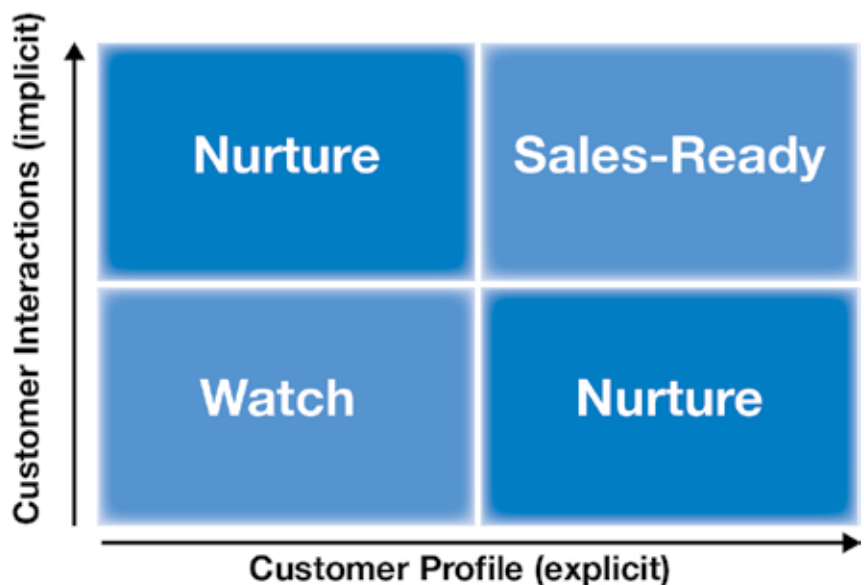


Figure 5: A basic model for lead scoring.

Implement a system to automate the lead routing process

When a score says “sales-ready,” you must have a system that immediately and automatically passes the lead to the assigned representative in the salesforce automation system.

Engage customers in conversations through automation

We implemented our own campaign management and digital marketing software to manage campaigns and execute e-mail communications. To achieve the best results, each asset on the Web should be controlled through campaign management. Campaign logic should be predefined, and communications should be run on a daily basis. You can use event triggers and other real-time technology to improve relevance and responsiveness.

Track key reporting metrics against your current baseline

To evaluate how well you’re accomplishing your goals, it’s important to set a baseline and track key reporting metrics against it. Metrics can include:

- Total number of communications sent.
- Click-through rates.
- Opt-out rates.
- Response rates.

- Lead-to-new-sales conversion rates.
- Completion rate of leads from sales.
- Lead grading.
- Heat mapping accounts.

Educate executives

Have an organizational communication plan in place. Executives understand the need for analytics and the competitive advantage it brings to the table, but they will still ask why processes need to change and how technology will work to achieve organizational goals. Be prepared to answer, and be proactive with your communication. Don't overlook the importance of being able to analyze and report on results at all levels of the process.

Make progress, but don't expect perfection

Remember (and set the expectation early on) that you are building a foundation for future success. There will always be room for improvement and change. However, having this technology foundation in place will make you more agile when change is required in the future.

Key Findings

The lead management automation process works. At SAS, we experienced a 10 percent increase in our lead-to-new-sales conversion rate after implementation. Further, click-through rates soared from 2 to 18 percent, while response rates increased from 2 to 5 percent. We also learned the following:

- It's important to incorporate personnel from marketing, sales, online, IT and communications early in the planning process.
- You should pilot your efforts before trying to scale.
- This is the new world. You have new solutions at your disposal that you've never had before. And the definition of a marketing campaign has changed. Think scoring, automation, analytics and content. Everything else fits nicely into this system – search, syndication, social, mobile, Web, e-mail, etc.
- Don't over-think your scoring models. Start small and adjust.
- Content strategy is critical and is also one of the hardest things for marketers to fully grasp.
- You should send communications or offers once a week (more frequently for recent prospects).

- It's crucial to integrate your digital marketing solution with your campaign management solution. Failure to do so will lead to manual processing and platform dependencies (resulting in complicated upgrades).
- Work with sales to get direct feedback on leads.
- Re-market to leads that are latent in your salesforce automation tool.

Summary

It's an exciting time to be a marketing professional – so much is changing, and this is creating new opportunities that marketers never dreamed of before. We see a bright future for lead management automation and what it can bring to a B2B marketing organization. As we've developed high-end analytical solutions for marketers, we've identified multiple applications for analytics within our own organization. For example, marketing optimization enhances our contact strategy and marketing ROI calculations. With digital information proliferating – from social to mobile to the Web – it's clear that next-generation online analytics and listening technologies will play a part. Next-best-action functionality for social, mobile and Web channels will continue to be optimized. As our data and processes improve, customer link analytics will provide a cornerstone for identifying influencers and engaging them appropriately for selling and retention.

SAS® Customer Intelligence solutions offer a broad set of integrated marketing capabilities that can enable lead management automation. These solutions include:

- SAS Marketing Automation, for campaign management.
- SAS Digital Marketing, for e-mail/mobile marketing.
- SAS for Customer Experience Analytics, for online analytics.
- SAS Web Analytics, for online analytics.
- SAS Social Media Analytics, for social media analysis.
- SAS Marketing Optimization, for campaign optimization.
- [SAS Customer Analytics](#), for customer behavior models.
- [SAS Data Management](#), for data integration and data quality.

The challenges of digital marketing and shifts in buyer behavior have made transformation imperative. To flourish, B2B marketers need a technology solution that can manage interactions, provide analytical insights and fundamentally improve the performance of their marketing investments.

Learn More About SAS® Customer Intelligence Solutions

To learn more about our customer intelligence solutions – and to access solution overviews, success stories, webcasts, white papers and more – visit sas.com/solutions/crm.

About SAS

SAS is the leader in [business analytics](#) software and services, and the largest independent vendor in the business intelligence market. Through innovative solutions delivered within an integrated framework, SAS helps customers at more than 50,000 sites improve performance and deliver value by making better decisions faster. Since 1976 SAS has been giving customers around the world THE POWER TO KNOW®.



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