Research Report

Best Practices in Lead Nurturing

Create B2B relationships, build trust and increase sales

By Marketo

VSM Systemizing Growth™

Blind Date to White Wedding: Best Practices in Lead Nurturing

No one enjoys blind dates. Whether you're introduced by friends, the Internet, or your neighbourhood matchmaker, it's nerve-wracking to meet for the first time.

Conversely, everyone loves weddings. The flowers, the tradition, the drunken dancing at the reception, you can find something you like.

Everything that comes in between is the interesting part. When you're dating, you're learning about each other: what you like to do, the things he doesn't eat, the stuff she does on Saturdays. And you're discovering the things that you do well together.

It's no different when it comes to B2B marketing. You need to deepen your relationship with prospects over time, interacting in a variety of settings, learning more about each other's needs and capabilities while progressing seamlessly from one interaction to the next. And you need to know when to commit more resources to the relationship as well as when to pull back and give the prospect some space.

In the B2B marketing world, this "dating" process is called lead nurturing, defined as the process of building a relationship with qualified prospects who are not yet sales-ready, regardless of budget, authority, or timing – and of ensuring a clean hand-off to sales at the right time.

Just as in dating, lead nurturing can be described with defined stages, including:

1. The Introduction
2. The First Date
3. Dating
4. The Proposal
5. The Wedding

The Introduction

The introduction is the first time your future betrothed hears of you. It is up to your friend, online profile, or matchmaker to make you seem interesting and attractive. You don't have direct control over the introduction, but the more you can do to influence it, the better.

Discover your ideal prospect

The first step in the introduction should be to determine your ideal prospect. Just as you know you like tall, dark and handsome, you should also know that the best prospects for your products and solutions are companies in the United States with 100 or more employees, in the pharmaceutical and healthcare verticals. It's not usually this simple, but having an idea of what your ideal prospect looks like will help you focus your marketing to certain locales and mediums. If you know that tall, dark and handsome is often at your alma mater's tailgate parties, you'll probably want to be there, early and often.

Build your brand

If you're wondering whether branding matters in B2B marketing, RainToday has issued a report that says the answer is yes, concluding, "If you are well known, whatever lead generation tactics you employ are likely to work better." In fact, 65% of companies that claim they are well known report being good or excellent at lead generation, while only 44% of the not well known companies report being good or excellent.

Brand matters because B2B buyers are still people and emotions impact economic decision-making. B2B buyers are overwhelmed with choices and information – more than any buyer could evaluate rationally. This means that no matter how disciplined a buying process is, emotional brand impressions do influence vendor selection.

Web 2.0 is also changing the way marketers build their brand. With the growing popularity of blogs, podcasts, social media and the like, buyers would rather talk to each other, instead of listening to a marketing message. So take advantage of this by creating thought leadership, using Web 2.0 techniques.

Create thought leadership

One way B2B companies can build their brand is by helping buyers research early in the sales cycle, demonstrating that they are trusted advisers who understand the prospect's problems. By using thought leadership to engage prospects early, you build awareness and increase your chances that the prospect will respond to future demand generation efforts.

Creating thought leadership helps your prospects learn more about you, your background and how you think. It helps build the foundations of a relationship: familiarity and trust. At this stage, don't hide your thought leadership content behind registration forms. Set this content free to allow it to spread virally.

Use social media such as blogs, networking sites, and podcasts to build thought leadership

VSM

Write white papers

White papers are used at almost any stage of the pipeline, from lead generation to customer retention. They typically range from four to eight pages, and shouldn't be more than 12 pages long. According to Michael Stelzner of Writing White Papers, "A white paper is a persuasive document that usually describes approach of an article and weaves in persuasive corporate messages typically found in brochures."
And studies have shown that white papers are highly viral; that is, they are passed around by 60% of technology professionals. According to a study by MarketingSherpa and KnowledgeStorm, this is because white papers are considered to be credible resources for thought leadership and subject matter expertise.

Create eBooks

As an alternative to white papers, consider eBooks, defined by David Meerman Scott as the "hip and stylish younger sibling to the nerdy whitepaper." An eBook delivers the content in a form that's designed for quick scanning and reading online. The content tends to come in more bite-sized chunks (as in a presentation). With newer versions of Microsoft PowerPoint, audio can be added to each page/slide.

Use social media

Social media continues to grow in popularity, and has become another conduit to your prospects. Sites such as Facebook, LinkedIn and MySpace allow people to build online relationships by joining groups, chatting and commenting about products and services. On LinkedIn, for instance, you frequently see questions from your network asking for recommendations for products and consultants.

Blogging is a great way to build thought leadership and, therefore, your brand. Your blog should fill the information needs of your prospects and invites comments from readers. Podcasts – essentially audio clips of you speaking instead of writing, or of an interview with another thought leader – are a great attachment to your blog. RSS feeds and content formatted for mobile devices such as Blackberry, Treo and iPhone extend your blog's reach. The YouTube phenomenon cannot be forgotten. A funny or clever short video that goes viral can quickly build your brand.

In B2B marketing, social media has a big role to play in driving traffic, building thought leadership, and facilitating word of mouth referrals. It's one more tactic in a portfolio of techniques that best practice companies use to generate awareness, drive leads, and nurture relationships.

Social networking for B2B relationships is similar to your personal relationships. You meet someone through friends, whether at a party or on Facebook, share your thoughts and dreams, and if all goes well, you decide to have your first date.

The First Date

The first date is all about making a good first impression. Don't come on too strong or you'll scare your prospect away. And don't talk only about yourself. Use the first date as an opportunity to learn more about your prospect's wants and needs, as well as to share some relevant information about yourself.

In B2B marketing, this means you should deliver some form of premium content that is worth registering for. While thought leadership content should influence and guide people before they're in a buying cycle, the content here should be targeted to those who are just beginning to look for solutions, such as self-running video demos and customer case studies. Either way, they should be short and to the point. You're trying to make a good first impression.

Create short videos or demos

A few tips from the Foneshow blog: Make it short. Snack-sized content needs to have a single idea, should be easy to share, and should require little or no commitment. If it can be viewed on a mobile device during an elevator ride, you are on the right track. Create short, two- to three-minute videos that showcase your value proposition, or use Adobe Captivate or TechSmith's Camtasia to demo your product at work.

Develop case studies

Also known as success stories, case studies are short, one or two page documents that evangelize a customer's success and ROI from use of your solution. Sections typically include an intro, challenge and solution. And don't forget to include a customer quote or two and a short section at the end that tells about your product and company.

Dating

This is where the lead nurturing comes in. Your prospect has shown at least some interest in you. You don't want to ruin a good first impression by calling too often or asking for too much commitment too soon. Instead, develop the relationship by sharing additional information at the right time. If tall, dark and handsome responds to your overtures, you want to talk to him and try to gather more information: Is he single? Is he interesting?

In B2B relationships, it's much the same: make offers of more information at respectable intervals and determine the level of interest at each stage. The goal, of course, is to date exclusively.

Schedule webinars

While some webinars are designed to generate leads, others can have content that moves prospects farther along in your pipeline. These latter kinds of webinars should assume a certain level of familiarity with your product, since you are making this offer only after positive responses to other nurturing activities.

Webinars that feature an industry analyst or expert not associated with your company are particularly proficient at moving prospects along in the nurturing process. One thing to keep in mind is that, according to MarketingSherpa, decision-makers are more likely to attend webinars than contributors, so webinar attendance might weigh heavier later in your nurturing process.

Share relevant third party information

You don't need to create all the lead nurturing content yourself. You can demonstrate how well you understand each prospect's wants and needs by sharing relevant third party content with them. This can be as simple as emailing a news article and saying "Based on our conversation last week, I thought you'd find this interesting."

Make it personal

Remember, the goal of "dating" is to build a relationship with a real person. B2B buyers are people, so the human touch matters. Lead nurturing is a conversation, not a series of disjointed campaigns. Personalize email responders and landing pages. Make sure each step connects with the prior one. And except for webinar invitations, don't make the same offer twice in one email flow.

The Proposal

When creating your ideal customer, marketing and sales must work together to determine the best indicators of success, in terms of what the customer looks like (demographics, etc.). During this discussion, you should also determine the activities that result in a sales-ready lead. For instance, if a prospect fits your demographic target, clicked on one of your pay per click ads and watched a short demo, then downloaded an eBook from your email follow-up, you might consider him to be moderately qualified (a 7 out of 10, for instance). But if he then attended a webinar from an invitation you sent and went to the "pricing" section of your website, you might consider him a 9 out of 10, which tells you that he's ready for a contact by your sales team. Your sales team would then go to work (with your help, of course).

Make outbound calls

Your sales team takes the action to follow-up on your qualified leads with a phone call. Their job is to further qualify the lead and deepen the relationship. Marketing can help by providing call scripts (including qualifying questions) that make it easy for the inside sales team follow-up from the campaign. They also indicate which product the customer is most likely to be interested in based on the campaign.

Send personal follow-up emails

Since marketing typically stops nurturing when the prospect is sent to sales, the inside sales team should also have a set of emails to send depending upon the level of interest shown by the prospect (and whether calls are completed). Marketing can assist by providing detailed email templates that continue the lead nurturing process.

Use customer references

Customer references are always excellent ways of closing new customers. Marketing should cultivate and nurture existing customers and gain permission to use them as references. Care should be taken with references to ensure any single reference isn't over-used. Remember that they're doing you a favor.

Conduct ROI analyses

An essential sales tool for many companies is an ROI analysis tool. Plugging in numbers of employees, current costs, and the like, then comparing to your solution is an outstanding method of showing costs and comparing benefits. Don't forget to train the sales team and to provide written explanations for each section of the ROI tool. A results document that sales can send as a follow-up further cements the activity.

The Wedding

The Deal. The Close. The Win. Ultimately, making the sale is up to your sales team, but by implementing a sound nurturing and scoring process, you have helped them by establishing a relationship and positioning your company as a leader with the prospect.The Tools

Just as a nice haircut and a manicure prepare you for that first date, every marketer should prepare for that introduction. You'll need easy to use tools to help you nurture leads, including email, landing pages, forms, and lead scoring: essentially, a lead management solution.

Send triggered emails

Send a series of emails as part of a drip marketing campaign, or triggered based on specific prospect activities. Each email offers a document (or webinar, or trial software, etc.) that helps move your target along in their decision-making process.

Use custom landing pages

Don't forget that custom landing pages can increase conversion rates by up to 48% during your lead nurturing as well as your lead generation activities. You only have eight seconds to get their attention, so use bullets, short forms, and no external navigation. And have only one call to action!

Use smart forms

You will get better response rates by using a form as the call to action on your landing pages, but why use the same form with the same fields over and over? Just like you wouldn't ask your date for his or her name every time you see them, you shouldn't ask for contact information again and again. Smart forms recognize known visitors and can fill in the fields you already know. Since you don't have to ask for this, ask for other info, such as company size, time until decision, etc. Building the profile over time will help you in scoring the lead.

Use web analysis and lead scoring

Knowing which pages your prospects visit on your site can be very beneficial to determining their interest as well as their level of engagement. Being able to connect anonymous visits to actual prospects? Priceless.

Automate and measure

Salesforce.com and other customer relationship management (CRM) products are great, but they typically fall flat in their marketing capabilities. As marketers we need to automate the everyday tasks of building and managing lead generation and lead nurturing campaigns. We also need to more objectively score leads according to their company demographics as well as their activities on our websites, landing pages, emails and other campaigns. And a single lead source doesn't cut it when lead nurturing. It's great to know where we first encountered the prospect, but knowing what happens between that first meeting and closing the sale is imperative in these days of marketing accountability.

Evaluate

As you move through the nurturing process, you'll probably discover that some of the assumptions you made are incorrect; for instance, that downloading a particular white paper means that they are close to buying or that sending a particular email would elicit a good response. Don't forget that lead nurturing – and marketing in general – is constantly changing. You'll want to stay flexible and be ready to change your lead nurturing process as you experiment with new tactics and learn what works.

Marketo Lead Management

That's where Marketo's lead management software comes in. Lead management software automates the time-consuming tasks marketers do to effectively capture, nurture and score leads:

- Email marketing
- Campaign management
- Landing pages and forms
- Lead scoring and analytics
- Data quality and de-duplication

Built for B2B Marketers

Marketing is a dynamic job, and marketers need flexible, dynamic lead management software that lets them quickly and easily create and modify campaigns themselves, without requiring lots of training, IT assistance or outside consultants.

Unlike older demand generation applications that require tons of up-front investment, integration, and training, Marketo Lead Management was purpose-built for B2B marketers, and understands that marketers don't want to design static workflows that are hard to change.

Easy to Use

Marketo Lead Management works the way you do, with a drag and drop interface to create event-triggered and automated drip nurturing campaigns, create landing pages and smart forms that recognize known visitors, and build personalized emails in your templates. And Marketo Lead Management is Software-as-a-Service, meaning there's nothing to download or install. You can be up and running without up-front fees in less than one day.

VSM

About VSM Marketing

VSM is a leading customer engagement agency, a demand optimization center, offering field marketing services and solutions that allow B2B companies to drive accelerated and sustainable topline growth.

Leveraging over 16 years of industry experience and comprehensive advisory services, marketing automation and insides sales capabilities, VSM collaborates with clients of all sizes to help them become high-growth businesses. The company has developed a unique multi-dimensional framework – the Prospect Experience™ – to systematically engage, interact with and read prospective buyers creating predictable and incremental value for its clients.

For more information about its multi-touch demand generation, lead nurturing and pipeline acceleration programs, visit www.vsmmarketing.com.

About Marketo

Marketo is the fastest growing provider of marketing automation and revenue-building best practices. Marketo's uncompromising on-demand solutions enable marketing and sales teams to collaborate throughout the revenue cycle, from the earliest stages of demand generation and lead management to the pursuit of revenue and customer loyalty.

Marketo Lead Management gives Marketers the power and flexibility to automate demand generation campaigns and deliver high quality sales leads with less effort, while Marketo Sales Insight helps Sales understand, prioritize and interact with the hottest leads and opportunities to close business faster. Known for providing the most innovative user experience and the fastest time to value, Marketo was voted 'Best Marketing Automation Application' by Salesforce customers on the Force.com AppExchange. As of June 2009, more than 220 mid-market and enterprise companies in nine countries have selected Marketo.

For more information on Marketo, visit www.marketo.com.