



GROWTH ACCELERATION Through Marketing Automation

When creating a powerful platform around their marketing and sales teams, **small- to mid-sized companies face a dilemma.**

They understand the value of marketing and they have the budget to support future growth through marketing efforts, but they lack the enlarged marketing teams and enhanced metrics to truly recognize ROI of their marketing spend. They need a solution.

They need marketing automation.

redpath

How this guide can help

Implementing marketing automation into a company's marketing initiatives can accelerate revenue growth, build market share, foster agile tactics and help the company command more from its marketing efforts. However, to capitalize on its marketing automation strategy, a company must be willing to abandon old ideologies and embrace a new solution for a new consumer market.

STRATEGY TIP

Before any marketing automation implementation can be successful, companies need alignment within their marketing plan, their processes and their people.

Establishing these baselines beforehand allows for marketing efforts that solve for **"how"** instead of being mired in the **"why."**

Revisit the marketing plan, document ALL marketing and sales processes and seek to understand the needs of both marketing and sales.

SECTION 1

Marketing success in the “age of the consumer”



In today's market, sales are made through authentic customer connections instead of simple product qualities. For companies this means winning in the “age of the customer” requires both an organizational and marketing transformation.

Empowered customers are disrupting every industry; long-time barriers such as manufacturing strength, distribution power and information mastery are no longer sufficient to allow larger companies to create long-standing competitive advantages. Instead, in the age of the customer, **the only sustainable competitive advantage is engagement with the customers themselves.** To successfully reach customers in this market, companies must communicate with them effectively through relevant and meaningful ways.

And the more quickly these communications can happen, the better.

Speed in the internet age

The internet triggered this disruption by changing customer buying behaviors for good. In today's market, if customers cannot get what they need now, they will search for an alternative immediately. Research shows **71 percent of B2B buyers start with a generic search** (Google, 2015) to research products and services. With almost limitless information at their fingertips, customers can be anywhere from 66-90 percent of the way through their buying journey before they reach out to a company. And if they can't get the information they're looking for from one company's web resources, they're going to seek out a competitor's.

This truism means that more than ever, companies must evaluate their current methods of engaging with their customers. Whether it be through whitepapers, email, web, social, calls, affiliates or mail, now is the time to improve these interactions by providing meaningful, engaging content.

Automation for the outbound marketing and sales teams

Marketing automation's popularity emerged as a direct response to the growth in inbound marketing. Traditionally, marketing automation interfaces with customers when they research an organization, interact with its content and eventually engage when they are ready.

Traditional outbound sales and marketing tactics are still necessary. In this age of the customer, **it's imperative to truly get to know customers at the micro level.** Marketing automation refines these efforts beyond merely identifying macro markets; marketing automation leaders emphasize the need to identify micro markets. For instance, they will use the macro market level identifiers (demographics, geographics, industry, roles or positions), then identify individual organizations to target using marketing automation in a technique called Account-Based Marketing (ABM).

Improve customer interaction through marketing automation

For many organizations, social marketing, content marketing, website optimization and paid search advertising have served as viable spokes in the marketing wheel. Each was implemented with a new marketing strategy to gain a competitive edge, generate new leads and, hopefully, earn new revenue.

Yet while the model dictates that each of these channels should support the common marketing wheel, too often the segments operate individually without supporting one another, resulting in a less-than-optimal solution.

Marketing automation aligns these spokes, however, to focus on maximizing them collectively.

According to Forrester Research, companies that automate lead management see a **10 percent or greater** increase in revenue within 6-9 months.



Marketing technology is defined as any tool or platform used to facilitate marketing strategies. This includes:

- Websites and web applications such as web chat and forms
- CRM
- Email marketing
- Webinars
- Social
- Search Engine Optimization (SEO)
- Paid search, social ads, PPC
- Lead databases
- External integrations

To understand how to optimize each marketing solution, consider the following steps.

STEP 1: Recognize where you stand

There are many reasons companies fail to reach their goals. Some reasons stand on their own, while others may be symptoms of a larger problem that can be solved if the root cause is identified.

To overcome the challenges they face, many companies choose and self-implement marketing automation, and end up using it as a glorified email marketing tool. Yet the technology is built to be so much more. Marketing automation is equipped with tools to assist in all aspects of marketing, sales and other areas of the business.

These capabilities are not mutually exclusive; they are interconnected and influence each other. If a company's marketing automation solution does not deliver **cross-channel results**, then it isn't being used to its fullest potential. Recognizing this shortcoming of a current marketing automation initiative is the first step in optimizing the solution.

Common reasons companies implement marketing automation solutions:

Growth augmentation

- Increase lead gen volume and quality
- Automate nurturing
- Account-based marketing (ABM)

Operational refinement

- No process for marketing to sales
- Lead distribution

Value recognition

- Source of leads
- Campaign ROI

Cultural alignment

- Sales and marketing are not aligned
- No established milestones
- Qualification is not defined

Technology enablement

- Current systems are not meeting needs
- Existing systems are not user friendly

STEP 2:

Understand every customer is a competitive advantage

To win in the age of the customer, a company's strategy and operations need to be based on an intimate knowledge of its customers and their needs. Customers belong at the center of everything a company does — from product development and marketing to service, finance and operations.

Consumer insights and marketing research activities help hone future marketing efforts. Through customer segmentation, companies can pinpoint customer needs, and develop messaging that connects with them in relevant and meaningful ways, while providing competitive advantages.

Marketing automation greatly enhances the power of segmentation and the value of data insights by allowing marketers to quickly and efficiently target key audiences. What's more, marketing automation creates a bridge between mass marketing and the personalization that modern consumers expect from every brand they deal with. Consumer insights drive personalized marketing, and marketing automation becomes the engine that drives profitable customer engagement.



6 strategies for gaining an increased understanding of a company's customer base

SEGMENT

These are the geographic and demographic characteristics that define the broader groups of people or firms you will market to.

- What characteristics make up your market?
- What industries do you focus on?
- What type of organizations are more desirable?

TARGET

Within the broader market, select a target (or multiple) to focus your marketing efforts on and further refine the segment(s) based on title, role or needs.

- What is your experience marketing to this target?
- What are the needs of your target?
- What pain points do they have?
- What role do these people play in an organization?

POSITION

Now align your marketing toward the target. This acknowledges how the other competitors fit within this target.

- How do you differentiate yourself in the market?
- What type of personality do you seek?
- What is your company about?

VALUE PROPOSITION

Next, formulate value propositions for the targets you've selected. These messages explain the pain points you solve, why you are relevant, and the specific benefits they gain.

- What value do you provide to your customers?
- What benefits do you provide?
- What problems do you solve?

DIFFERENTIATE

Analyze your products/services and company and how these differ from the competition.

- How are you different from the competition?
- What features or advantages do you have that offer solutions?
- What about you makes you better or worse than your competition?

BRAND

Simon Sinek explains the brand purpose perfectly: "People don't buy what you do, they buy why you do it." Decisions are often made on emotion. You need to answer why a prospect should choose your company over a competitor's.

- Why your company?
- What beliefs or causes do you have that motivate your company?
- What feelings do you create?

STEP 2 Checklist:



- Who purchases your product or service? Who are the primary influencers? Is the purchaser different than the consumer or user of the product or service?
- Do you understand your company's competitive advantages?
- How well do you know your customers, their needs and their pain points?
- Can you identify the six layers of customer insights (segment, target, position, value proposition, differentiate, brand) for your market(s)?
- What are the messages you would like to automate and what personalization matters to your audience?



STEP 3:

Establish marketing goals and strategies

A company's goals define what is the light at the end of the tunnel and what the company will do to get there. They should focus on identifying measures to stay accountable and on the meaningful efforts that will help achieve marketing goals.

At Redpath, we use a system called **Key Result Areas (KRA)** for driving marketing automation strategies. For example, if your business goal is to increase revenue by 20 percent, revenue generation is your KRA. This can also apply to cost reduction, customer growth, customer retention, sales velocity — anything.

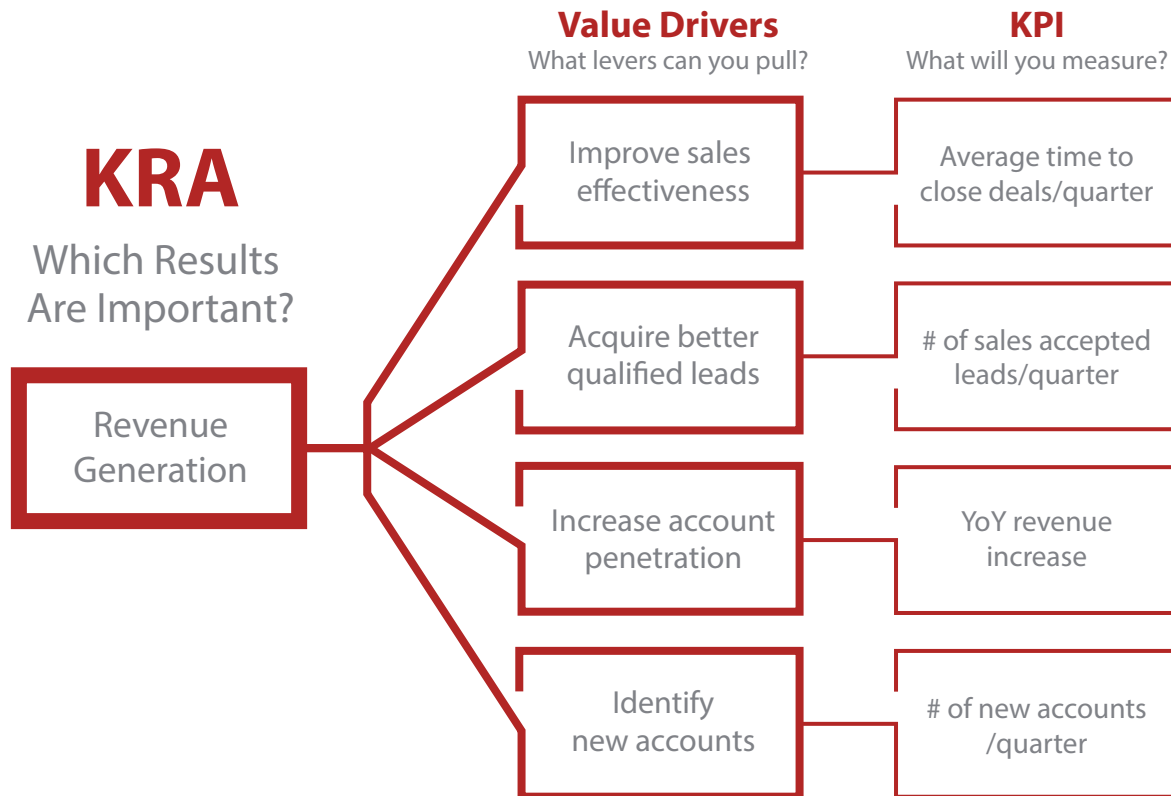
Value Drivers move a KRA forward. These are the strategies that focus efforts on the KRA. For example, if you are trying to use marketing automation to drive your KRA, some of your value drivers may be automating communication with customers and prospects. Another could be automated lead routing.

Finally, we create **Key Performance Indicators (KPI)** to measure the success of those value drivers. For instance, if you are driving automated communications, you can measure how many automated engagements you send on a weekly basis, and how many of those engagements result in a positive reaction (meetings, calls, opportunities, etc.).

KRAs break down the goals into strategies and measures of those strategies.

Key Result Areas (KRA)

Which results are important?



This will be your metric. If one value driver is more important than another, it is appropriate to have more than one metric. Based on your vision, now select the most important 3-5 metrics as your success metrics.

STEP 3 Checklist:



- Do you have a realistic goal given your marketing support and plan?
- What are your strategies and tactics to meet your goal?
- Have you developed your KRAs, Value Drivers and KPIs?

STEP 4: Understand the customer's journey

A simplified buyer's journey is a three-step process:

- 1. Awareness:** The buyer realizes they have a need.
- 2. Consideration:** The buyer defines their need and researches options to solve it.
- 3. Decision:** The buyer chooses a solution.



A more sophisticated journey will combine the mediums to communicate with the buyer at each stage.



Content fuels the journey

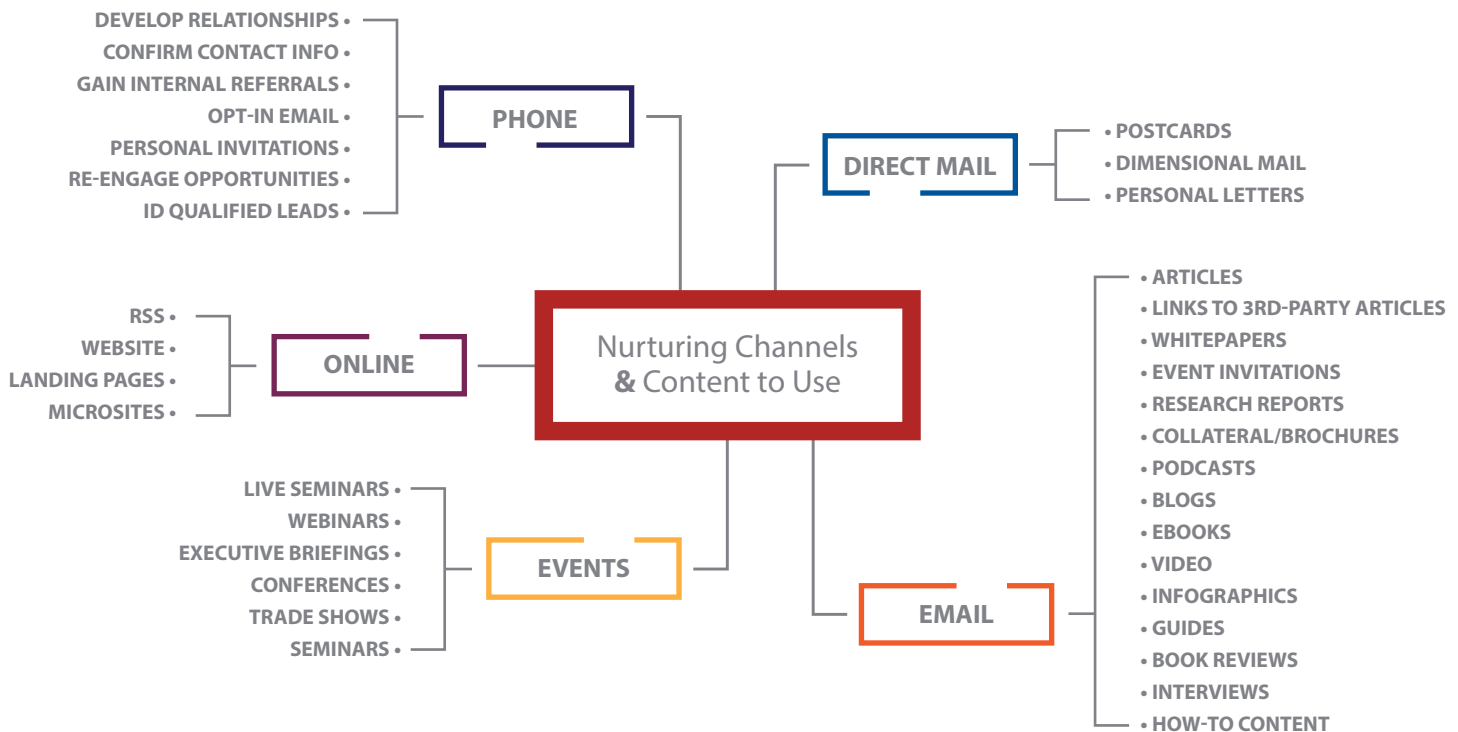
Marketing automation requires a considerable investment in content to function successfully. **Content is the tool that communicates** the value an organization provides its customers. Every marketing plan should have a content marketing strategy that emphasizes the ongoing creation and presentation of fresh content. Repeatedly using the same content, such as a whitepaper, will cause the prospective audience to lose interest in the messaging.

A company's communication with its audiences should be a combination of what it does, how it is successful, and what makes it a worthy business partner. Content allows the buyer to expand their knowledge base and evaluate at their own pace. Today's customers want to control their journey, and they will quickly pass over any prospective option and look to the next competitor if they cannot find the information they need.

Quality content can appear in a variety of forms, including:

- Articles
- Whitepapers
- Events
- Reports
- Podcasts
- Blogs
- Videos
- Ebooks
- Infographics
- Guides
- Research
- Webinars

In addition to existing content, new content will be needed to continue supporting the buyer along their journey.



STEP 4 Checklist:



- Who in your organization is responsible for your content strategy?
- What do you like about your content strategy? What should change?
- What content can you use currently?
- What content do you need as you expand?
- **Awareness stage:** How do your buyers describe their goals and challenges? How do they educate themselves on these goals/ challenges?
- **Consideration stage:** What categories of solutions do your buyers investigate? How do buyers educate themselves on the various categories, and which one is right for them?
- **Decision stage:** What criteria do buyers use to evaluate the available offerings? What do buyers like about your offerings vs. the competition's?
- Who are the decision makers?

STEP 5:

Marketing and sales alignment for revenue-producing lead generation

Marketing and sales teams are often siloed. However, in today's digital world, alignment between the two is more vital than ever. Marketing automation creates this alignment through the establishment of a **steering committee** to establish roles and responsibilities.

A company's marketing automation platform's steering committee ensures marketing automation meets its business goals. Traditionally, the marketing team owns marketing automation with help from IT. Equipping marketers with tools to deploy complex and long-term strategies will automatically automate queuing and routing of leads to sales. Combined with more leads to sales to focus on, it can also prioritize and provide sales reps with individual tools to prospect and take on some of the marketing functions as well.

Since sales and marketing are mutually responsible for the outcomes of the platform and both share tools responsible for meeting the goals, collaboration is mandatory. This combination of sales and marketing tools means sales and marketing need to collaborate on how to best use them, set expectations, drive adoption, and execute in unison. A steering committee will help facilitate the change management for the organization.

Better outcomes emerge when **both sales and marketing** are driving the platform. Without buy-in from both, marketing automation will not reach its full potential.

The steering committee is responsible for establishing:

- **Executive sponsor:** This is the marketing automation champion for the organization.
- **Accountability:** Assigns roles and ownership for the platform's success.
- **Governance:** Reviews all change requests based on business value.
- **Approvals:** Provides authority to make decisions.
- **Resources:** Project team is adequately resourced to deliver success.
- **Communication plan:** Ensure everyone knows what to expect and when.
- **Organizational change management:** Drives adoption.
- **Support model:** How will the solution be supported once marketing automation is implemented (partner, vendor, internal)?



STRATEGY TIP:

Here are four ways to unify your sales and marketing teams for driving results:

1. Top-down leadership will help align goals and priorities.
2. Sales and marketing should work together to define your lead generation process, and what makes a high-quality lead ready for the sales team.
3. Marketing needs to generate content that helps move potential customers through the marketing/sales funnel. Your content should be able to answer customers' questions and concerns along each step in the journey without the customer needing to talk to someone.
4. Marketing leads need to be tracked and measured with sales to create an ROI for your marketing efforts.

STEP 5 Checklist:



- Set up a sales and marketing leadership or team meeting on a regular basis.
- Document a true step-by-step process from marketing to sales.
- Determine responsibilities for each step of the process.
- Determine what a qualified lead means for marketing to hand off to sales.
- Analyze your customer journey and identify if marketing and sales are operating on the right milestones.
- Create metrics that hold marketing and sales accountable for each other.

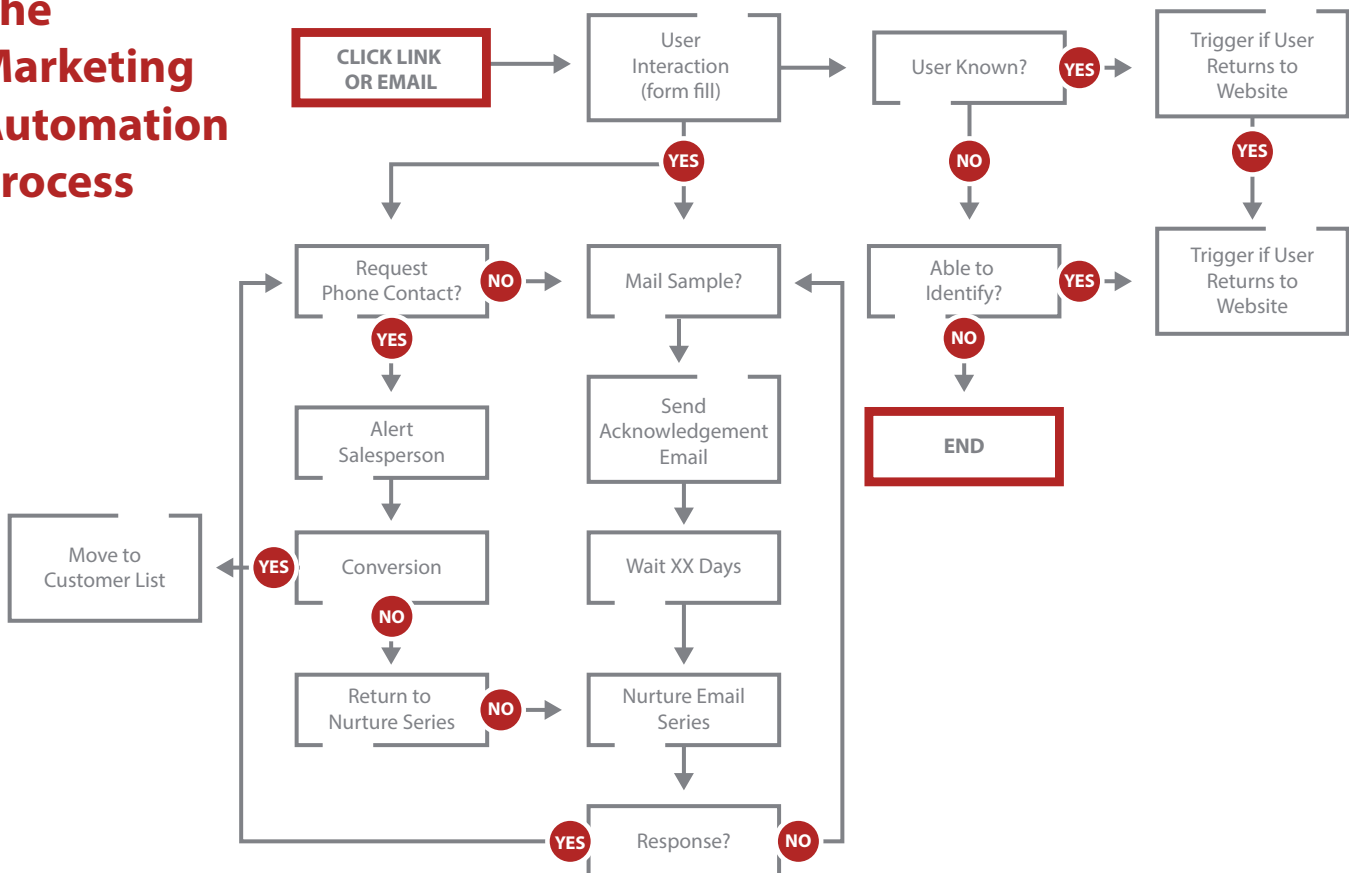


SECTION 2

Putting best practices into effect

Below is a brief example of marketing automation in action.

The Marketing Automation Process



Establishing a vision



The company's vision drives the output of marketing technology from the strategy. Building a great vision requires total understanding of not just marketing and sales but all the other functions within the organization.

Employing the following techniques can help craft a vision:

- Document the "As Is" state.
- Document the "To Be" state.
- Identify the gaps between the current state and the desired state.
- Formulate a strategy to close these gaps.
- Identify any obstacles or risks that might be in the way and devise how to mitigate them.
- Identify availability of resources (people, budget, etc.).
- Identify potential resistances to change.
- Communicate the what's-in-it-for-me (WIIFM) value for each stakeholder group.

STRATEGY TIP

Employing this strategy example

We want to create a marketing automation platform to drive revenue growth. We want the system to be extremely automated so it gives time back to sales, increases marketing effectiveness, and allows the marketing team to be proactive to marketing opportunities.

The marketing automation platform will connect to the company website to track leads and publish content for two target markets (Target A and Target B). It will also connect to our webinar platform and social media. Additionally, it will support the sales teams by automatically directing the right leads to sales, and help nurture leads on behalf of sales through one-to-one emails and drip programs sales reps can add prospects to. Team members then employ different methods for tracking the contacts related to Target A and B and consolidate the findings into lists, creating automations to maintain them in real time. The team can also create other lists to microsegment the targets for various content drips. This information allows them to escalate qualified leads to a salesperson immediately and gives sales the ability to add them back into marketing drips if a contact needs further nurturing.

The importance of evolving your marketing plan

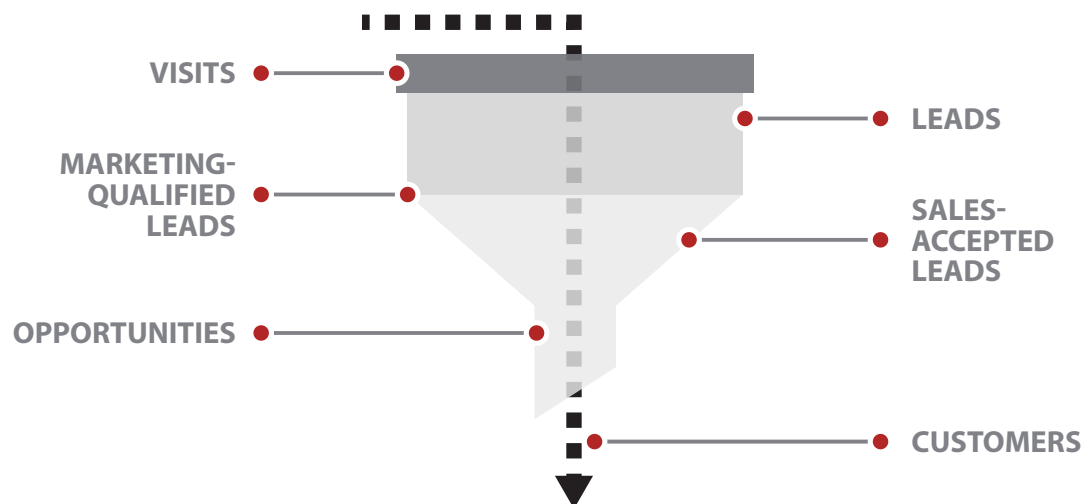
Successful marketing teams are constantly evolving and responding to environmental factors from the business, its competitors and/or customers. Augmenting the existing marketing plan with marketing automation tools **supports future planning** and the rapid-reaction capabilities today's marketers need.

This newly **upgraded marketing plan** can be trusted to:

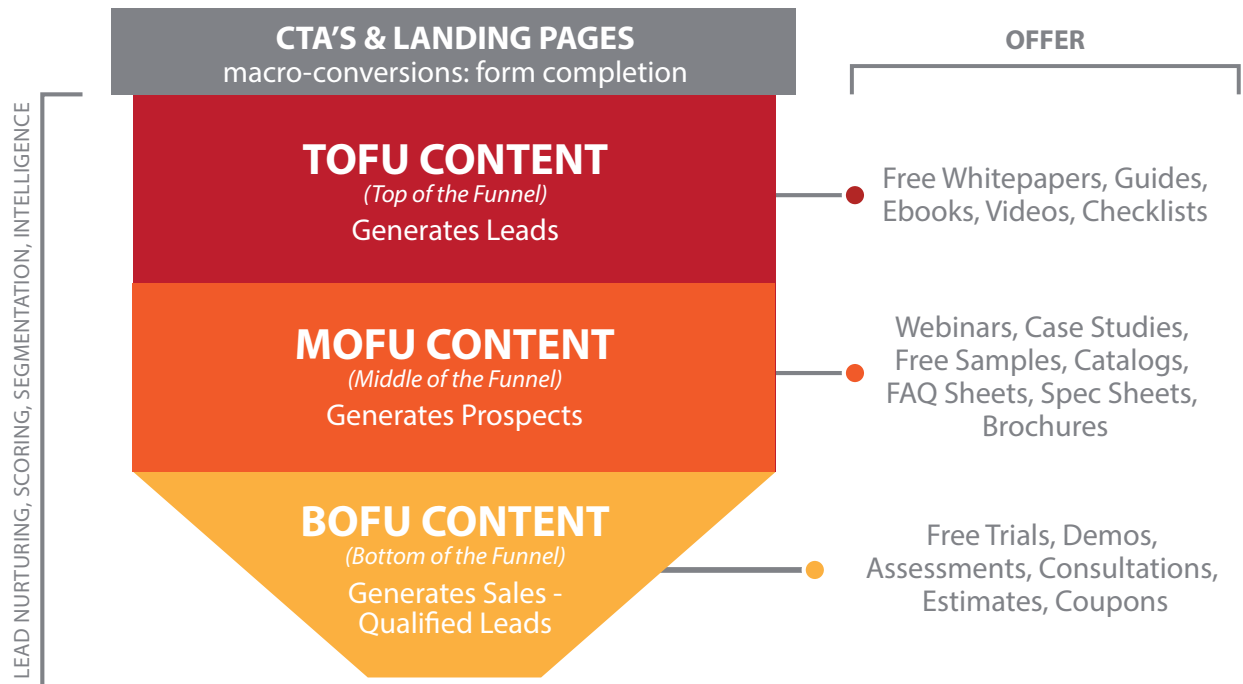
- Craft the deliverables around the segments via the road map and content calendar
 - Emails
 - Create opt-in methods such as forms
 - Landing page entry points (inbound and outbound marketing)
 - Whitepapers
- Track progress with campaigns
 - A/B testing
 - Campaigns
 - Revenue
- Improve marketing processes for finding and identifying people to market to
- Support inbound and outbound marketing (e.g., AdWords lead vs. a Contact Us form)
- Document marketing to sales flow
- Aide channel mind map
- Provide Pardot pictures to explain the process
- Justify marketing spend

Marketing automation's effect on the marketing funnel

In each stage of the funnel, certain tools are influencing a lead into the next stage. For instance, a visitor needs to convert on the company's website with a form submission such as a newsletter opt-in, whitepaper download, event registration or a contact form. By adding marketing automation to existing tactics, it's easy to track how the person started as a visitor and what marketing asset was responsible for converting that anonymous visitor into a known prospect.



Type	Content & Communication Method	CTA-Next Step
Visitors	TOFU	Convert Form Submission
Leads	MOFU	Nurture Drips
MLs	BOFU	Assign to Sales
SQLs	Sales Calls & Sales Emails	Create an Opportunity
Opportunities	Sales Calls	Close the Opportunity
Customers	Customer Engagements	Repeat



In the above example, the **most important metrics** will be the top and bottom milestones: visits and customers. Additionally, it is very important to understand what the website conversion rate is. For example, websites that have 10,000 visits a year but only 50 conversions have a 0.5 percent conversion rate.

Another thing to look at is **source**. What types of marketing or tactics create the most leads or influence the most opportunities? Consider building a mix of metrics that look not only at the full funnel but the ones that matter most.

SECTION 3

Solution: Following the path to success

What does a fully functional **marketing automation platform** look like? Finding the answer requires teams to map out the architecture of all the systems they want to connect and the data they want to pull and devise how they will connect with customers and prospects.

The results of this search document is what the “to be” solution will look like. Teams must think about not only all of the areas of the organization but the company’s and the team’s vision as well. What functionality is needed to deliver, and what data will relocate? Answering these questions without first building a solution architecture — a high-level summary of how functionality relates to the CRM — is nearly impossible.

A company’s **solution architecture** should include the following:

- CRM/databases
- Source of truth
- Apps
- Engagements/drips/journeys
- Website
- Processes
- Gated content
- Automations

Road-mapping the solution

A completed solution can be divided into “phases” to identify what functionality will be built at what time. These functionalities can then be sorted by priority, cost and value. Sometimes, implementing everything at once creates too much change for the organization, slows implementation, and increases risk for broken functionality. The road map for this plan is a visual representation of what needs to be built for each stakeholder or team and when.

Each phase should include:

- Scope and schedule
- Cost and resource estimate by phase (internal and external costs)
- Team impact
- Dependencies
- Thresholds for leads
- Handoffs
- Sales nurturing
- Setting up drips
- Thresholds for scoring/grading profiling
- How to complete specific steps in Pardot
- Handing off to Salesforce.com
- What happens when you need to recycle it
- Viewing the data in CRM
- Reporting on ROI

Here is an example of a sample road map:

	Month 1	Month 2	Month 3	Month 4
	Team: Marketing Mgr, Sales Mgr, IT Resource, Business Analyst Time: 3 Weeks Cost: \$8,000 (App + Consulting) Training: 1 Week Support: Internal, consulting partner	Team: Sales team, IT, Marketing team Time: 3 Weeks Cost: Internal cost Training: 1 Week Support: Internal, Consulting partner	Team: Marketing team, Sales team Time: 2 Weeks Cost: \$16,000 (App + Consulting) Training: 1 Week Support: Internal, App	Team: Marketing team Time: 24 Weeks Cost: \$19,000 (App + Consulting) Training: 6 Weeks Support: Consulting partner
Sales	<ul style="list-style-type: none"> • Define sales process • Lead routing & escalation 	<ul style="list-style-type: none"> • Automated lead qualification • Sales nurture campaigns 	<ul style="list-style-type: none"> • 1-to-1 email templates • Real-time hot-lead alerts 	
Marketing	<ul style="list-style-type: none"> • Define marketing process • Email templates • Drip programs for prospects • Form deployment 	<ul style="list-style-type: none"> • Lead scoring and grading • Campaign hierarchy • Drip programs for customers 	<ul style="list-style-type: none"> • Account-based marketing • Automated triggered emails 	<ul style="list-style-type: none"> • Upsell drip program
Leadership		<ul style="list-style-type: none"> • Campaign reporting 	<ul style="list-style-type: none"> • Lead velocity reports 	<ul style="list-style-type: none"> • ROI reporting
IT	<ul style="list-style-type: none"> • Deploying tracking code • Email authentication 	<ul style="list-style-type: none"> • Integration with other databases 		

Using a persona matrix to reach the right people

By using a persona matrix (a tool that helps marketers identify and keep track of customer personas) to align the right content with the right personas based on the marketing strategy, it is possible to map content and ensure the right messaging reaches the right people.

Target personas for this matrix can be divided into four groups:

- Roles (Decision maker, buyer, end user)
- Level based (C-suite, VPs, Managers)
- Department Based (Marketing, Sales, Finance)
- Specific titles (Parachute tester)

Under these parameters, creating a drip program to target C-suite contacts, VPs and managers allots for six different types of content. Using the drip and part of the segment allows marketing teams to analyze which content performed the best.

Content	C-Suite	VPs	Managers
Creating immediate value	X		
Solving your problems		X	X
Saving you money	X		
XYZ said it was the best thing they ever bought		X	
Why we can help			X
Deeper dive			X

Winning the numbers game through reverse engineering

In order to win the numbers game, companies must first know where the finish line is. They must recognize their key performance metrics, particularly how many leads they need in order to hit their goals and how many website visitors they need to generate enough leads. It also means knowing the close rate on sales opportunities. Once these numbers have been determined, the team can make improvements to help exceed those goals.

Businesses who want to create big revenue goals must also think about the other metrics that influence the revenue needle. For instance, assume all leads come from the company website. In 2015, the site may have had 10,000 visitors and 100 of those visitors converted into leads — a 1 percent conversion rate. In 2016, the site had 15,000 visitors, 150 of which converted into leads. That 1 percent conversion rate stays true and can be used to scale marketing efforts. This example will also assume the average opportunity size is \$25,000 and 25 percent of all leads turn into a won opportunity.

Now a conversion pipeline exists and can be used to reverse-engineer the company's goals. Assuming that in 2016, efforts generated roughly \$1M in revenue and the goal is to increase that to \$2.5M, the example below shows how much traffic must be driven to the site.

CALCULATION		KNOWN STATS	
		Revenue Target	\$2,500,000
Goal/Avg Deal Size = # of Deals Won	$\$2,500,000 / \$25,000 =$ 100 Deals Won	Avg. Deal Size	\$25,000
# of Deals Won/ Lead-to-Won Rate = # of Leads Needed	$100 / 25\% =$ 400 Leads	Lead-to-Won Rate	25%
Leads / Visit-to-Lead Rate = # of Visitors Needed	$400 / 1\% =$ 40,000 Visitors	Visit-to-Lead Rate	1%

Based on these calculations, 100 won deals are needed to hit the \$2.5M goal and 400 leads are needed to result in those won deals. Assuming the 1 percent conversion rate, a minimum of 40,000 visitors are needed to create those initial leads.

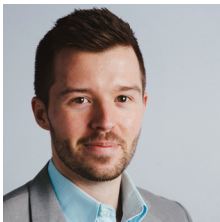
TAKING THE NEXT STEP

to accelerate growth through marketing automation

In this age of the customer, companies and their marketing teams need to employ technology solutions to capture leads and foster growth like never before. However, in today's market, simply possessing this technology is not enough. Avenues and their accompanying strategies must be optimized and automated whenever possible to make sure the company is reaching its customer at every touch point, and to ensure that when company and customer meet, the interaction is positive for both parties.

Only by doing this can the company guarantee its success in the age of the customer, or any age that follows.

In collaboration with:



Eric Lehen



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The logo for Redpath, featuring the word "redpath" in a lowercase, sans-serif font. The "red" is in red and the "path" is in black. A thick red line extends from the top right of the page, forming a large L-shape that frames the logo.

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