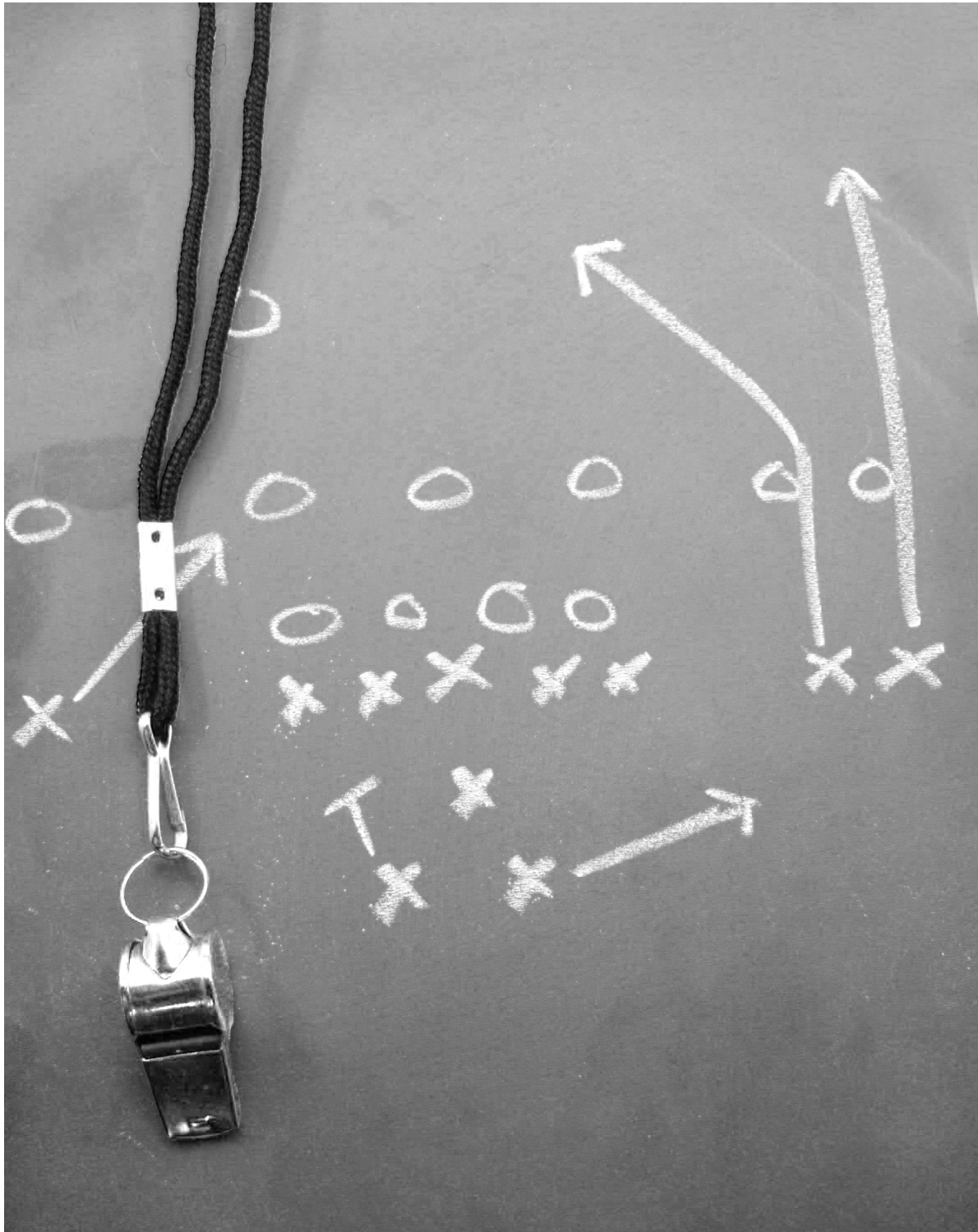


THE NEW B2B MARKETING PLAYBOOK



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Madison Logic

Section 1

When the Game Changes, So Must the Playbook

Why do we need a new B2B marketing strategy? It's simple: when the game changes, so must the playbook — and it can't be denied that the game of B2B marketing has undergone a significant evolution in recent years. The advent of innovative channels and technologies have created a new breed of customers with a fresh set of expectations, causing the need for organizations to revamp and reassess their approaches toward customer management in order to keep up.

NEW CHANNELS AND TECHNOLOGIES DEMAND NEW RULES

Multi-screen isn't just the most recent buzzword; it's perhaps the most significant change the digital marketing space has seen in recent years.

In a **study** released in May 2013 by The Financial Times and **Doremus**, New York, 49 percent of more than 400 global business executives surveyed reported that tablets are replacing their laptop computers, and 69 percent do not turn off their smartphones at night or on weekends. In a **separate study**, Constant Contact found that 66 percent of small-business owners now use mobile devices for business purposes.

More business is being done via tablets and smartphones than ever before and marketers have to consider not only who their customer is, but where they are and what device they are using. As such, marketers turned to focus on finding ways to harness data across all available channels, and leverage that data to effectively reach their audiences.

The additional challenge of multi-screen marketing is that existing programs designed for desktop can't simply be served to mobile devices and tablets because mobile web browsers have different requirements and limitations. Additionally, when it comes to data, legacy data-gathering tools are inadequate for collecting mobile and tablet browsing data.

Programmatic platforms have also proven to be a significant development for B2B marketers, especially as the market continues to fragment. A programmatic approach allows marketers to automate digital ad sales based on millions of scattered data points, making them actionable in real-time ... bringing us to data.

DATA: THE REAL GAME CHANGER

Customer Data has been a mainstay in digital marketing since its inception, but while earlier challenges centered on a data deficiency, today's problem often stems from the exact opposite. Emerging channels like mobile and social have given us a wealth of data to work with, but it can be overwhelming to try to analyze and gain valuable insights from such an enormous pool of data.

However, this abundance of data has also unlocked a major benefit to B2B targeting efforts. Real-time data derived from online, mobile and social channels enables marketers to deliver relevant messaging based on their target's current online activities and react to behaviors in real-time, such as offering a discount on a product that has just been viewed. This improved targeting ability has led to much more relevant advertising experiences and the ability to identify and nurture qualified business leads.

Access to more data has also provided some alleviation of the metrics problem. Sophisticated measurement platforms have allowed marketers to more accurately track which programs deliver qualified leads that actually convert to purchases, including longer term, long-tail impact. When marketing budgets are tight, the need to justify spending is critical, but more than that, the ability to identify top performers and improve

campaign efficiency is the key to success and a positive return on investment.

AIDA → The Customer Journey

To keep up with the demands of today's B2B market, it is not only new technologies that must be adopted but also new philosophies. Many marketers inherit legacy methods, or simply adhere to the way things have always been done because it is the easiest option. Granted, effecting change within an organization is difficult, if not seemingly impossible. However, in order to ensure sustainability in today's market, it's about time for the marketing department (as well as sales, development, client services, and the C-Suite) to change the way they view the customer lifecycle.

For years, we have viewed the average customer lifespan in terms of the "traditional" model of the sales funnel:

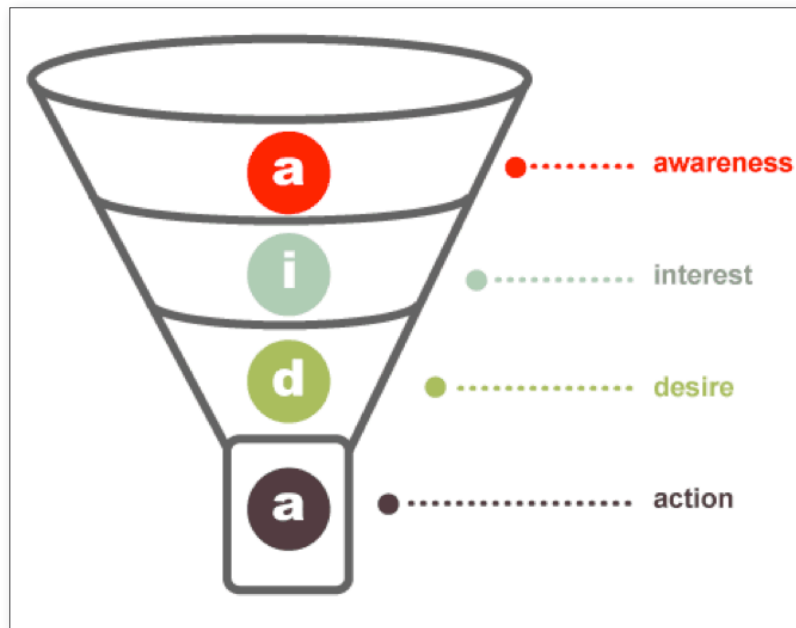


Image Courtesy of Moveo

The problem with AIDA is that it is too reductive and does not account for the multiple touch-points that marketers now use to engage with their prospects, nor the fact that customers are actually expecting throughout their buying journey, from consideration to purchase. Enter, "The B2B Buyer Journey."

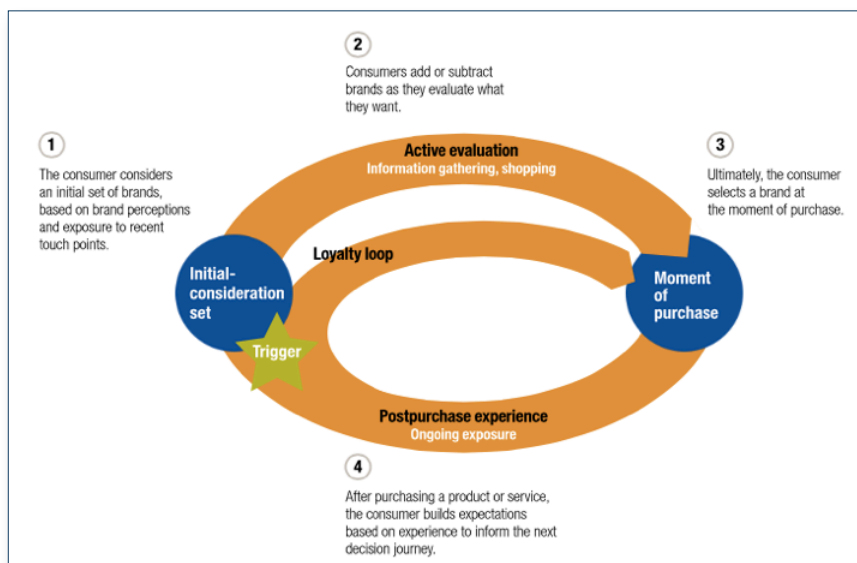


Image Courtesy of McKinsey

Marketers can no longer work with the purchase in mind as the end goal. With competition high and customer demands even higher, the new goal of marketing is to build lifelong raving fans.

With this approach in mind, it's time to examine the B2B Buyer Journey. B2B customers have more than just themselves to answer to when it comes to making a purchase or establishing a partnership for their business; making the stakes, and the demands, much higher than in B2C. Since there's more than one person involved in the purchasing process, it is important to engage and nurture each party on the decision making committee at each stage of the internal vetting process. As you can see, the B2B buyer journey is a long one, and nowhere near its end. Potential customers must also be engaged during the actual bidding and buying process.

After that, it's the job of the marketer to keep the customer happy enough to encourage others to purchase as well. The key to this is ensuring that the implementation process is successful, and a continued nurturing program is in place to maintain that customer relationship in between purchase cycles.

Turning a lead into a customer is an extensive, hands-on process. The absence of a lead nurturing program of any kind is one of the most common factors in non-converted qualified leads. The cost and effort of generating and identifying qualified leads is essentially wasted when left un-nurtured.

IT'S ALL ABOUT THE CUSTOMER

Marketing should *always* be about the customer. For so long, marketers defaulted to the idea that marketing is about the brand, but, while branding and messaging are important, marketing is really about the individual at the receiving end of the message.

B2B customers are fully aware that multiple brands are competing for their business, and expect to be courted as such. This "buyers' market" calls for marketers to take an active role in tracking buyer behavior; identifying intent in order to serve the right messages and offers at the right point of the buying cycle. Sitting back and waiting for the customer to approach you is not an option.

However, you must also remember that it's not just about generating new customers, but also keeping the current crop happy. Focusing on giving your existing customers a great experience is an extremely effective way to expand your business.

THE B2B LEAD GENERATION ARSENAL

Display is a key tool for B2B marketers who are looking to reach and engage potential leads. A display banner can be all it takes to jump-start the customer journey. Today's sophisticated targeting methods enable advertisers to identify qualified leads and immediately serve relevant, impactful ads to purchase decision-makers and their influencers. Since a single party makes very few business-buying decisions, considering an entire buying team in your display campaign is extremely important. Intelligent targeting technology also helps reduce wasted revenue by targeting leads based on not just feigned interest in a product, but on their actual intent to purchase.

As far as ad content goes, keep it benefit-oriented, yet creative enough to grab the user's attention. First impressions are everything. Once the initial interaction occurs, it is important to immediately begin the lead nurturing process. According to MarketingSherpa, a whopping 79 percent of marketing leads do not convert into sales. If that number doesn't shock you, it should, because it directly translates to wasted investment. It has been shown that lack of a lead nurturing program is the main reason for this drop in lead conversion. In order to get the most from your marketing and lead generation efforts, you must immediately begin to engage prospects with relevant and compelling content throughout the consideration phase of the buyer journey. Retargeting leads that have gone cold can help reactivate them and turn them into customers.

While researching a purchase of any size (once you have already recognized the need for a product or service, or at least identified the underlying issue driving that need), what is the obvious next step? Google. Or Bing, or Yahoo!, or any of the other hundreds of search engines out there. That's why search is another vital component of the B2B playbook. While search data can be a great fit for identifying purchase intent (which can support lead targeting efforts), the main goal of search is to establish your brand as a top contender during the consideration process.



Today's customer is empowered to impact your brand with the click of a mouse; whether it's a tweet, a LinkedIn update, or an email to a colleague. Make it a priority to give your customers something great to say about you.

New technologies -- and marketers who know how to leverage them -- have successfully positioned themselves at the forefront of the B2B marketing game. Now, on to the new rules.

SECTION 2

Rule 1: Consideration is the New Awareness

According to the traditional model of the sales funnel, awareness is the first stage of the customer lifecycle. However, in a highly competitive market with multiple new channels to cover, the awareness stage is just the tip of the iceberg. Making your customer aware of your product or service still hasn't actually placed you within the customer journey. To develop real, qualified B2B leads, you have to realize that the first step of the customer journey isn't actually a step at all, but a process.

To help explain the consideration phase, and to coin a term (Because who doesn't love doing that?), Google® introduced the concept of the Zero Moment of Truth (ZMOT). Whereas the "First Moment of Truth" presumed that customers made purchase decisions within 7 seconds of viewing an in-store display, the ZMOT takes that a step back, asserting that purchase decisions are made before the consumer ever sets foot in a store. It applies across all customer bases, including B2B, "whether you're buying a big jet engine or refrigerator." says Beth Comstock, SVP & GM of GE® on Google's® ZMOT website. ZMOT informs the time between the shoppers first exposure to online advertising to the ultimate purchase decision, and takes into consideration the online research that occurs throughout. Winning ZMOT involves using a variety of tactics at once to not only generate, but also cultivate and nurture qualified leads at every touch-point during the process.

Marketing automation provider Hubspot® has found that 75 percent of users never scroll past the first page of search results, which means that your site has to show up on that page. But getting to the first page may not even be enough, as Marketing Sherpa® notes that 60 percent of clicks are relegated to the top three organic search results. As such, your corporate site should be search engine optimized with keywords and site tags.

In addition to basic SEO practices, developing an original content strategy and including news items, contributed articles and other thought leadership pieces can not only bump up your search engine discoverability, but can also lend credibility to the strength of your brand. In fact, companies that blog can nearly double their inbound leads.

CONTEXTUAL AD PLACEMENT

Contextual ad placement is another tried-and-true marketing tactic that has stood the test of time, and for good reason. During the consideration phase, while your prospects are conducting their searches and reading up on the various products out there to meet their needs, your content should be displayed right alongside every article they read or infographic they view. Layering contextual ad placements on top of display targeting can assist in giving those qualified leads the extra touch-point they need to click through to your site.

Across the board, analytics, and proper measurement are crucial to a successful marketing campaign, offering the insights you need to identify your strengths and areas for improvement. Display metrics can augment your targeting efforts to ensure that you are in pursuit of leads with a high likelihood to convert based on their intent. Search metrics can help optimize the paid search terms and ads that are most effective at driving qualified leads to your site, and identify the keywords you should be optimizing site-side for organic search. Finally, contextual data can help ensure that your content is being displayed at the locations that your prospect browses during the appropriate stages of the buyer journey.

SECTION 3

Rule 2: The Evaluation Stage is Higher Touch Than Before

Growing a B2B business is like tending to a garden. The seeds of consideration have been planted and the leads have sprouted. Now those leads have to be properly nurtured in order to bear fruit. As a reminder, it is estimated that 79 percent of leads never actually convert into a customer, and lack of a well-planned lead nurturing campaign is widely considered to be the reason.

During the evaluation phase, when a lead is actively researching and assessing all of the potential options for their purchase, it is of utmost importance for a marketer to find the best means to communicate with and engage potential customers. As noted by rule one, B2B messaging should not be targeted to a single person but catered to an entire decision-making team.

KEY ELEMENTS OF LEAD NURTURING

- **IMMEDIACY** – Reach out to your prospect with a display ad *immediately* following their first interaction with your content to increase brand awareness and capitalize on the initial momentum gained.
- **INTENT** – Utilize behavioral data to target audiences based on their intent to purchase, through practices such as *Content Consumption Monitoring*.

- **RELEVANCE** – Display ad content should be designed to answer your prospect’s unique needs and give them a reason to choose you over a competitor. Utilizing the right ad-serving technology will allow you to achieve this goal.
- **CONTINUATION** – One follow up offer doesn’t necessarily cut it when it comes to converting a lead. Utilize behavioral data to continuously round out your understanding of your prospect and reach out to them on a regular basis (without badgering them!) with messaging based on that insight.
- **RELATIONSHIP MANAGEMENT** – Converting a prospect into a customer for a single purchase is no small task, but the brass ring for B2B marketers is a lifelong raving fan. Lay the foundation for that relationship with ongoing nurturing programs for existing customers with loyalty rewards programs or referral offers.

Behavioral data enables marketers to run smarter campaigns by focusing on demonstrated purchase intent to identify and nurture qualified leads for more efficient campaigns.

In using intent data, marketers can begin to immediately engage qualified leads with relevant offers and move them along the buyer’s journey towards conversion. This data can also help marketers identify additional stakeholders with an organization that may influence the decision to purchase. A marketer can then begin to serve these influencers targeted content for added brand recognition.

Intent data also enables marketers to reactivate stagnating leads by retargeting them with relevant messaging as soon as they reenter the customer journey. Most importantly, data is the key to measuring campaign performance for optimization. Data ultimately forms the basis of the entire lead nurturing process and harnessing it correctly will result in more effective and efficient campaigns.

THE CASE FOR EMAIL

Email is another effective method for nurturing leads and building customer relationships. Despite the old chestnut about deals getting made on the golf course, more business is conducted via email than any other medium. Marketing Guru Jay Baer at ConvinceandConvert.com found that 44% of email recipients had made at least one purchase after receiving a promotional email. Emails low-cost and deliverability assurance are just a few of the reasons why it is one of the most efficient communication channels available to B2B marketers today.

Email lends itself well to analytics because delivery, open and forward rates, as well as undeliverable, blocked and unopened rates are part and parcel of most commercial email platforms. In addition to optimizing campaigns to improve deliverability, these metrics enable marketers to determine who is receiving, and more importantly, who is receptive to their communications, as well as who might need additional incentive to move along the funnel.

Regular sale updates, personalized communications and one-off discount offers are all trusted tactics for nurturing B2B leads via email. The flexibility of email messaging enables a much wider variety of content and creative than display, simply by virtue of the (nearly) limitless real estate. More complex messaging and creative elements can be delivered via email versus having to squeeze ten words and a tiny logo into a banner ad. That is not to say that email should be a channel for long-winded communications. Email content should still be attention-grabbing, value-oriented and easily understood.

Keeping B2B email content tight is also important for mobile consumption. According to a recent survey conducted by Forbes Insights, 7 out of 10 responding executives use mobile devices to look up product or service information upon first learning of an offering. 57% of respondents reported that they use mobile devices to conduct deeper research into vendors’ products or services, and more than one-third say they are still

Investing in behavioral intent data is one of the most important things B2B marketers can do to generate, convert and maintain leads.

referencing information from their mobile devices at the time a decision needs to be made about a purchase. On top of that, 11% have actually facilitated purchases exceeding \$1 million, based on research via mobile devices. As such, it is advisable to assume that prospects are reading email content on a mobile device – so the content of the email should be tailored accordingly.

CONTENT IS KING (CLICHÉ? YES. BUT IT STILL HOLDS TRUE)

Regarding content, there are several other ways that B2B marketers can build engagement with their prospects. Blog posts, news coverage and contributed content such as guest blogs and informative articles can do wonders to boost a brand's image as industry leaders and underscore value-driven messages. Of course, all of this is contingent on whether or not the prospect will be able to find it.

Delivering the right message, to the right people, at the right place and at the right time is a common mantra of digital marketers. This principle applies not just to ads, but to downloadable content (white papers, webinars, case studies, etc.) as well. Intent Data can be leveraged to ensure that your marketing collateral is easily discovered by potential leads during their evaluation process. When your branding and beneficial thought leadership pieces continue to pop up at the places that your prospects go to conduct buying research, your company will be positioned as a trustworthy suitor to fit the customer's needs as they take the step along their buying journey.

SECTION 4

Rule 3: The Buy is Just the Beginning

If one were to ask the average non-industry person, "What is the goal of marketing?" the most common answer may be "To get people to buy your products." While that is certainly part of the goal, it is by no means the sole purpose of marketing. Marketers who take the approach of "Just make the sale," can be missing out on the potential for tremendous revenue opportunities.

The old AIDA funnel ended with "Action," i.e., the decision to purchase the product, but the new Customer Journey actually stretches beyond the buying phase. Winning the sale is by no means a small feat, but for B2B marketers in particular, the post-purchase experience is vital towards maximizing revenue potential in order to knock the campaign out of the park. Turning a first-time customer into a lifelong fan is the endgame, because a loyal customer not only brings in repeated business, but may also be inclined to refer your product or business to their social and professional networks. Word-of-mouth references and peer recommendations can carry a lot of weight in the B2B space, and happy customers result in not just a stable revenue stream but also a greater potential for generating new leads.

PUTTING THE "R" IN CRM

A healthy relationship between a company and their customers requires trust, support and reciprocity. Meeting the needs of existing customers should ultimately be just as high priority as acquiring new ones. Engagement at the post-purchase stage involves utilizing a variety of channels to deliver relevant communications and offers that keep the dialogue open between you and your soon-to-be brand advocate.

Email is a commonly used tool to maintain that dialogue, as it is still the prevalent method of B2B communications. Customers are accustomed to receiving content such as follow-ups, customer experience surveys and purchase rewards via email. These targeted communications demonstrate to the customer that you are grateful for their business and intend to provide incentives to keep them happy.

Social media is increasingly being used for B2B communications; Facebook® "likes" and fan pages aren't just for consumer products and entertainment. A July 2013 Forrester Research® study found that though Facebook®, Twitter® and LinkedIn® are rarely used solely for business purposes, the majority of B2B decision

makers utilize these sites for a mix of business and personal uses, which makes these networks viable options for post-purchase engagement. By nature, content published on social networks is brief and easily consumable, but most importantly, it lends itself perfectly to being shared with others, given the medium. Arming new customers with high quality content that they'll actually want to share with their peers is a great way to grow a brand. Ultimately, the purchase is not the end of the B2B customer journey; it is simply a step that informs the next decision-making cycle, so engagement and nurturing are crucial towards customer retention, and eventually turning those customers into loyal brand advocates.

SECTION 5

Rule 4: Market Through the Loyalty Loop to Create Customers for Life

Business decision makers often inherit partner relationships; you order ink and toner from Supplier X because your company has always ordered ink and toner from Supplier X. But when the stakes are higher, i.e; a marketing partner or consulting service that has major impact on your bottom line, do you just stick with the same partners out of habit, or because they have given you good reason to keep coming back?

Let's take another look at the customer journey:

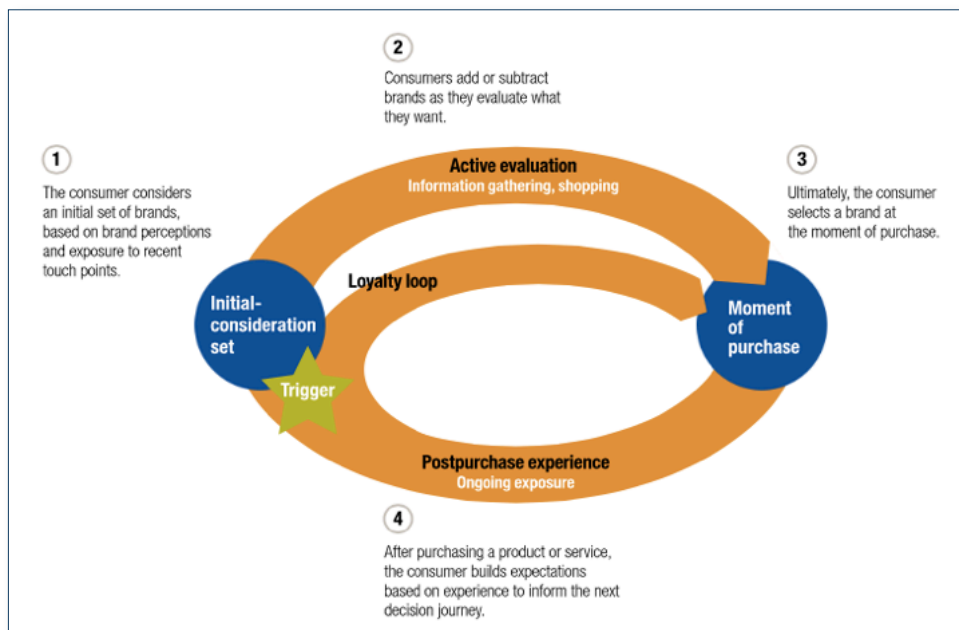


Image Courtesy of McKinsey

The loop within a loop entails the process of building ongoing loyalty with a customer once they have made the initial purchase, and as you can see, it also has no endpoint.

While it's true that you may gain some repeat business by delivering a great customer experience on the first purchase, you must continue to nurture that relationship. There's always the chance that a customer could be stolen away, and in the B2B world, there's usually a competitor waiting in the wings to try and offer your customer better prices. As such, it is imperative that you continue to market throughout the loyalty loop with useful, compelling communications that keep customers coming back.

Within the loyalty loop, there are a few "stages" to address with the appropriate messaging:

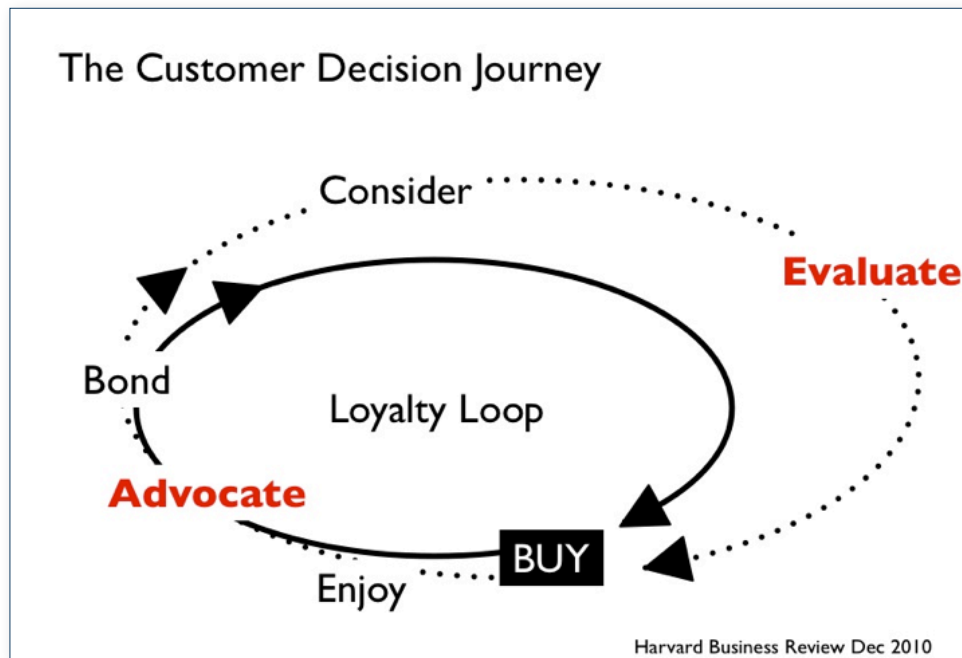


Image Courtesy of McKinsey

Enjoy – This phase immediately follows the purchase, and comprises the communications that enhance the customer experience. OK, so your customers might not “enjoy” professional goods and services the way they would consumer items, but it is still important to ensure they have a beneficial, seamless experience.

As with all stages of the loyalty loop, email and social media are your best tools for communicating with customers. Customers expect to receive email communications from brands, and as B2B social media use increases, engaging customers via your Facebook page is also a useful, non-intrusive method of cultivating loyalty.

Tips to make the best use of the product, offers for accompanying products or services, product or company updates: these are all relevant, practical messages that not only enhance the customer experience but also begin to establish an ongoing dialogue. As a brand, you are showing the customer that you stand behind your product and are there with them to offer any assistance they may need to ensure that they are getting the most from their purchase. In a world of automated customer support lines and disenchanted, disengaged customer service, that kind of care goes a long way – your after sale behavior is the litmus test you must pass to get to the next stage.

Advocate – This stage is extremely important not just to a single customer relationship, but also to the growth of your business. This is where you turn customers into brand ambassadors. In the B2B world especially, where who you know matters, word-of-mouth recommendations hold a great deal of power when it comes to building new relationships with a professional partner. You can put out millions of dollars worth of gorgeous advertising, but a bad review from a trusted colleague will still hold power with most people. As such, it is important to ensure that your customers have no option but to provide a glowing recommendation to their colleagues.

Many companies offer rewards such as discount offers for customers who refer their friends and colleagues, which can be a highly effective method for growing your customer base. Also, making it as easy as possible for your customers to make a referral can be quite helpful; for instance, providing simple links to “like” your Facebook page or forward email offers can reap more customer relationships than requiring an involved referral process.

At the end of the day, however, the best way to encourage referrals is by providing the best customer service possible. Happy customers beget new happy customers and so on, so be sure that your CRM programs across the organization are designed to exceed customer expectations.

Bond – Building the bond between brands and customers is ultimately the result of a combination of customer care, rewards and open dialogue. Showing a customer that you value not just their business but also their feedback is how you actually create that bond. The nature of the customer is to want products or features that cater directly to their needs, so regularly offering them the opportunity to share those requests and showing them that their feedback is given due consideration is an ideal way to establish a more solid relationship.

The most important thing to remember is that a bond contains at least two entities, so don't talk AT your customers, talk WITH them. Give them the assurance that you are listening to them rather than ignoring them now that you have their money in hand, and they will not only help you improve your product but they will be an ambassador to help you grow your business overall.

CONCLUSION

It can't be denied that the B2B marketing game has changed, so brands have to play by the new rules if they want to win. Customers are no longer passive money machines that will simply stick with a brand out of habit; they are savvy, demanding and more involved than ever in their own experience. The B2B world is highly competitive, and customers are empowered to switch brands if they feel they are not being given the best experience possible.

It's time to throw out AIDA and embrace The Customer Journey. It's time to recognize the importance of the Zero Moment of Truth, and design marketing programs to specifically target that period of consideration. It's time to nurture leads instead of simply generating them. And it's time to build relationships beyond the buy to create lifelong customers and brand ambassadors.

Playing the new game to win means letting go of antiquated philosophies and approaches and recognizing the customer's power and the importance of nurturing them throughout their journey, and realizing that the journey never ends.