Complex Buying Processes with Email Marketing and Marketing Automation

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Introduction

We often hear the question: "How is Marketing Automation different from email marketing?". In this short paper, we'd like to shed some light on the differences, and explain when to use email marketing and when to use Marketing Automation.

When executed well, email marketing is one of the most powerful tools that a marketer can use. It's more scalable than telemarketing, and it's more personalized and more interactive than direct mail. And on top of that, it's cheaper and more measurable. Email may not be the only channel of communication we use, but it's certainly one of the most important ones.

Email marketing has a long history. It has been used since the mid-nineties when the Internet was still in its infancy. Marketers quickly grasped the importance of this channel and started using email in a more sophisticated way. They realized that emails could have personalized greetings, they could be scheduled, they could be measured more accurately, and subject line testing was discovered as a great way to boost response rates. However, the email marketing tools of the past were still mainly focused on consumer applications, where a one-time email can immediately influence a purchase.

Nowadays, many organizations have clients who need a lot more time to make a purchase decision. This is particularly true for business to business environments, and for considered purchases in B2C as well. In this paper, we'll look at how to use email marketing to support these complex buying processes, and whether email marketing or marketing automation are the right tools to use.

Marketing Automation systems take email marketing to the next level

Email Marketing for Complex Buying Processes

Complex buying processes may take weeks or months and involve many different people. In order to be effective, email marketing campaigns need to be designed to handle this longer buying cycle. Ideally, the content of the campaign is tailored to the different stages in the buying process. And for each buying phase, the campaigns have to address the needs of different roles in the buyer's organization: sales, marketing, CMOs, etc.

In traditional email marketing, you send messages when you have something relevant to say. In email marketing for the complex sale you need to send messages based on the buyer's needs. Therefore,

you have to design multi-step email sequences that follow leads along their buying path. The goal is to set up a lead nurturing process that turns new leads into sales-ready leads.

In a complex buying process, buyers will go through multiple stages. It starts with awareness of the type of solution that you offer, through research of possible solutions towards a final purchase decision. In your email marketing, you need to provide the right information for the right stage. For example, in the early stages you want to provide more educational information and thought leadership, while in the final phases reference and analyst information is really important.

In addition to alignment with the stages in the buying process, it's also important to tailor information to the different roles within the decision making unit. For example, the economic buyer will need different information from an end user.

The email campaigns for the complex sale need to be proactive and address buying stages and buying roles. This requires email sequences that cover at least the length of the sales cycle, and that adjust based on the needs of the recipient. To make this manageable, the process of starting and adjusting email campaigns should be automated.

Email marketing for the complex sales is very different from traditional "batch and blast" email campaigns. However, there are still several email marketing best practices that are unchanged. For any type of email marketing, it's important to have compelling content, create an attractive email layout, and ensure that email is delivered to the inbox.

How Email in Marketing Automation Supports Complex Buying Processes

As automated email campaigns become the best way to do email marketing for complex buying processes, we'll show how Marketing Automation provides the tools that make these automated campaigns possible.

First of all, campaigns should be initiated automatically. This can be

done with triggers. Traditionally this happens when leads fill out a form on your website, or when you import a list of leads. Based on the type of trigger and the lead's profile, the Marketing Automation system will start the right multi-step email campaign.

For each campaign, you specify which emails you want to send at which time. A very simple example would be: a "thank you" or "welcome" email on day one, a whitepaper on day three, a video on day seven, and a promotional offer on day nine. Based on the recipient's response you can accelerate or slow down the campaign, or move the lead to an entirely different campaign.

A proper and speedy response to the recipient's behavior is possible because the Marketing Automation system tracks email opens and clicks, website visits and form submissions. All this tracking information is added to the lead's profile.

Based on the lead tracking information, it is possible to assign a lead score to each individual. For example, for every email click you add five points, and for every multi-page web visit you add 10 points. This lead score indicates how interested the lead is, which is essential information for the sales team.

Leads are passed on to the sales team when they reach a certain lead score. The sales team then receives notifications of the activity of their leads, and can see the entire lead campaign history in the CRM sys-

tem. This is possible because the Marketing Automation system is synchronized with your CRM system.

In short: Marketing Automation allows you to create automated lead nurturing campaigns using the multi-step email functionality and web tracking, the lead scoring engine, and synchronization with the CRM system.

Examples of Email Marketing in Complex Buying Processes

To illustrate our comparison, we'd like to give some specific examples where Marketing Automation provides excellent support for complex buying processes, but where email marketing systems would typically fall short.

The organization of a webinar is a good example where Marketing Automation surpasses email marketing. You can use a Marketing Automation system to send an email invitation to your list, but also to capture the registrations. Registrants will get an automated confirmation email and event reminders at predefined dates. You can easily send a registration reminder to people who haven't responded yet, because the Marketing Automation system can exclude the people who have already registered. Finally, you can also create an automated follow-up email after the event (e.g.: to distribute the webinar recording and slides).

Email marketing systems use a list that is separate from your CRM system, so it takes a lot of time to copy contacts back and forth. Marketing Automation prevents this issue by synchronizing contacts with the CRM system. This happens in two directions: when sales people add contacts to the CRM system, they will be copied to the Marketing Automation system, and when Marketing uploads a list, it will also be send to the CRM system. While some email marketing systems can copy contacts from CRM systems, it's a one-time import, not a synchronization process.

Many email marketing systems give subscribers only one option to change their subscription: unsubscribe. A Marketing Automation system can offer an 'update your profile' option, so the leads can set their own email preferences, rather than having an "all-or-nothing" unsubscribe option.

Once people have a relationship with your company, it can be a smart strategy to send email on behalf of the responsible sales rep. This is often hard with traditional email marketing, because they can't handle multiple 'from' addresses, and they can't access the CRM to find out the reponsible sales rep. Even more, some email marketing solutions send email from their own email address, rather than an email address from your company. With a Marketing Automation system you can send email exactly the way you want.

These were just a couple of examples that illustrate how a Marketing Automation system can provide a comprehensive solution to increase marketing productivity in companies with a complex selling process.

Email marketing works when:

- Your entire business cycle is less than one week

- You have a simple selling process (as opposed to a complex sales process)

- You sell via an e-commerce platform

- You are looking to send offers based on shopping cart abandonment

Marketing Automation Beyond Email Marketing

Marketing Automation systems take email marketing to the next level, and can support a complex buying process. The benefits of Marketing Automation do not stop at email marketing. Here are some examples of how Marketing Automation makes your marketing team more effective.

Most marketing campaigns send leads to your website at some point in time. The creation of web pages and dedicated landing pages can be a bottleneck when it has to be done by your webmaster, IT de-

partment or web agency. Marketing Automation provides an easy landing page builder, which allows marketing to create landing pages and registration forms. This reduces the dependency on other departments or outside parties, and will increase the speed with which new campaigns can be rolled out.

Marketing Automation can help optimize your marketing strategy with reporting and analytics. Marketing Automation goes beyond open and click rates to show the sales readiness of leads, cost per lead and cost per qualified leads. Using information from the CRM system, it can also show you which campaigns were most effective, and how marketing campaigns influence revenue. And if the standard reports are not sufficient, you can create a custom report with exactly the information you want.

Salespeople will also be more productive with Marketing Automation in place. With Anonymous Web Traffic Analysis they can see the companies that are visiting the corporate website, and focus their prospecting activities on those companies. Once leads have filled out a form, sales people can get a notification every time these leads come back to the website. They can access the full activity history, and when they talk to a lead, they can enter them to the most appropriate marketing campaign, or pause all campaigns.

These are just three examples of areas where Marketing Automation helps increase the productivity of the entire marketing department, in addition to revolutionizing the way email campaigns are done.

You probably want to consider a Marketing Automation system when:

- You are a B2B, B2B2C or B2C company with selling process longer than one week

- You need to qualify leads before you send them to sales

- You have a CRM system

- You've been doing email marketing for a while, and spend a lot of time on executing manual processes

- You want reports that show the effectiveness of your marketing

campaigns

The ROI of Marketing Automation

It is clear that Marketing Automation provides significant benefits for sales and marketing organizations. It requires an investment to get started, but is paid back almost immediately by increasing marketing effectiveness. It helps the both organizations:

Convert: First of all, Marketing Automation helps turn more new leads into qualified leads and sales opportunities. Automated campaigns provide the right information at the right time, and will increase conversion and shorten the sales cycle. Prospects' questions will be answered before they are asked, and objections will be preempted. In companies with a long sales cycle, it's often hard to adequately follow up with each and every lead. Automated lead nurturing campaigns solve this issue, and - just by itself - will already justify the investment in Marketing Automation.

Automate: Concerning the automated processes of Marketing Automation, you can save time and money in Marketing. Using automated processes, you can do more with less, and be more agile at the same time.

Nurture: In companies with a long sales cycle, it's often hard to adequately follow up with each and every lead. Automated lead nurturing campaigns solve this issue, and - just by itself - will already justify the investment in Marketing Automation.

Prioritize: Sales productivity will also increase. Rather than trying to manage hundreds of unqualified leads, salespeople can now focus on a handful of highly- qualified leads. The salespeople have more information available and better tracking to help them understand the activities of these leads.

Prove: Marketing Automation provides the information to make marketing a metrics-driven department. Based on these metrics, marketing effectiveness can be further increased, revenue is more predictable, and marketing can show how they contribute to the company's bottom-line.

Moving from Email Marketing to Marketing Automation

Often the implementation of a Marketing Automation system is a great time to clean up your list. You may have data in your CRM system while other data is only stored in the Email Marketing system. A single database is obviously easier to manage, so merging your email list with the CRM system is often the first step. You want to make sure that duplicates are merged, and that obsolete information is removed from the CRM system (or tagged as 'invalid'). You should also copy your unsubscribe information to the CRM system, to avoid the fact that people who have unsubscribed will suddenly receive email again.

The next step is to sync up the Marketing Automation system to the CRM system. For most CRM and Marketing Automation systems, this is fairly easy: it only requires entering the CRM login information into the Marketing Automation system. The Marketing Automation system will then copy all required information into its own database.

Finally, you will need to set up your email. You migrate your existing email templates, or choose to create new ones. You also need to specify the email deliverability settings: this means that you let the world know that you will be sending email from your new system. There are several standards for this, such as Sender Policy Framework (SPF) and DomainKeys Identified Mail (DKIM). Your Marketing Automation vendor will help you with this setup.

There will be some additional setup activities, such as adding tracking code to your website, choosing a domain for your landing pages (e.g. http://pages. company.com) and creating landing page templates. This is essential for the broader role of your marketing automation system, but it's not directly related to sending emails.

Altogether, it's usually a fairly quick process to get started with Marketing Automation.

Marketing Automation uses email as a key communication channel, so it's often compared with email marketing software. However, Marketing Automation has so much more impact on Sales and Marketing effectiveness that a comparison with email marketing is like comparing apples and oranges.

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About NGR

NGR provides innovative enterprise marketing management solutions that turn your passion for marketing into business success. NGR transforms how marketing and sales teams of all sizes work and work together to accelerate predictable revenue.

NGR's solutions are both powerful and easy to use, providing explosive revenue growth throughout the revenue cycle from the earliest stages to demand generation and lead management to deal close and continued customer loyalty.

In past 48 months, we have been working on developing various marketing and sales solutions which assists organizations in improving customer relations and further improves the bottom-line.

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