The Essential B2B Lead Nurturing Handbook

ZUZA

Integrated Marketing Services

About ZUZA

ZUZA supports you to be a Marketing Champion with a full suite of print and marketing services.

Use our advanced web-based platform to **completely automate your marketing asset management**, including creating, producing and fulfilling customized marketing materials, **on demand**. This powerful solution helps you maintain full brand compliance, eliminates obsolete collateral, reduces inventory costs, and makes tailoring collateral for specific markets remarkably easy, fast and cost-effective.

Best of all, the platform does all of this automatically, freeing you to focus on strategic and creative work without interruption.

ZUZA's also got you covered from Z to A with full-service **printing** and **mailing** services from our state-of-the-art production facility, as well as complete inventory and fulfillment services.

See all the ways ZUZA can help you at **zuzamam.com**.

Integrated Marketing Services

Contents:

Introduction:
Welcome to the Age of Lead Nurturing

Lead nurturing is the process of building a solid, trust-based relationship with buyers before they receive their first contact from a salesperson.

Why nurture leads? Why not just call them right away and see if they're a prospect?

Because they don't want to hear from your salespeople just yet.

Reality: Today, prospective buyers like to do much of their research on their own long before having a conversation with a salesperson. The wealth of information offered on the internet has empowered buyers to educate themselves about a product or service category without having to deal with sales pressure.

This has shifted the roles of marketing and sales. Traditionally, marketing's job was to generate awareness and leads, and let sales handle all the relationship building with buyers. Now, marketing plays a much larger role in building a relationship with buyers while they're still determining their needs and researching solutions. During this phase of the buying process, a sales call would not only be premature but would likely drive a buyer away.

During the buyer's research phase, your company's marketing program can provide the very information buyers are seeking – objective, helpful information free of any sales pitch. By providing this kind of information, buyers will come to see your company as a trusted advisor that truly cares about the needs of the buyer. This will motivate buyers to engage with your marketing – your website, white papers, webinar presentations, blogs, email newsletters and more.

Lead nurturing then is the "time-release" process that systematically "touches" prospective buyers with offers of informative, useful content that is relevant to their needs and stage in their buying process. This content motivates buyers to trust your company as an advisor, making it easier for buyers to evolve to the point of being ready to talk to your sales team.

The practice of lead nurturing has reached the tipping point as the way marketing must be done. Companies have realized that this is the way today's customers want to be engaged.

In the following chapters, we'll go over the essential steps involved in designing, launching and maintaining your successful lead nurturing program.

Notes: While this guide focuses on B2B lead nurturing, the principals are essentially the same for B2C marketing. How you define buyers, buying stages and content may change, but the process works the same way. Also, throughout this guide, the terms "*lead*" and "*buyer*" will be used interchangeably to refer to someone who is engaged with your marketing communications, up to the point of engaging with your sales team.

Chapter 1:
Your Lead Nurturing Program

Here are the essential steps to crafting, launching and maintaining your lead nurturing program.

Step 1: Get the tools.

Marketing Automation: This is a category of online software platforms that can automate practically the entire process of lead nurturing for you, including:

- Conducting email campaigns to prospects, tracking their responses, and initiating follow-up communications based on those responses

- Tracking and reporting all visitor activity on your website

- Capturing key demographic information about your website visitors

- Administering web landing pages and downloadable content with online forms for capturing prospect information

- **Drip marketing:** the timed release of sequential email offers of valuable content (white papers, webinars, articles, etc.) to prospects, as part of campaigns or triggered by specific actions taken by leads on your website

- Scoring leads to determine when they are ready to be qualified for sales engagement (see Step 4 in this chapter)

All of these functions are essential to running a successful lead nurturing program. A marketing automation platform allows you to do all of the above and more with minimal effort. Conversely, it would be practically impossible to effectively do these things without marketing automation. To get a more comprehensive overview of Marketing Automation, please consult these ZUZA Marketer's Blog posts: "Automation Magic" and "Marketing Automation."

CRM (Customer Relationship Management)**:** CRM platforms are online systems, such as Salesforce.com, SugarCRM and Microsoft Dynamics, that help your sales team manage all of their sales opportunities, accounts and contacts. A CRM platform is a central repository for all the information relating to the history and status of opportunities, individual contact information, sales tasks, the opportunity pipelines of individual sales people, and the overall sales pipeline for your company. This lets salespeople and management gauge progress to goals in real time. A CRM platform is indispensable to today's sales teams. For our purposes, the CRM platform is Marketing's link to Sales. Qualified leads that are nurtured, tracked and scored by your marketing automation platform will ultimately be handed off to the sales team to be further managed in the CRM platform until opportunities are won or lost. In fact, nearly all marketing automation platforms today sync seamlessly with all the major CRM platforms, giving your sales team instant visibility to the lead nurturing history of all leads on their journey through the buying process.

Step 2: Define your Lead Funnel

The Lead Funnel (as we're calling it, also referred to as a marketing funnel, marketing/sales funnel and demand funnel, among other names) is a visual representation of the buying process stages a lead goes through as you nurture that lead. Leads start out simply as **Names** – people who visit your site for the first time or come from a marketing list you've purchased. As leads start to show interest in your company, they become **Suspects** – leads that could turn into something more down the line. If Suspects show enough interest (demonstrated by the actions they take on your website – see Step 4 in this chapter) and have the right demographic profile, they turn into **Prospects** – leads that show considerable promise. At this point, your marketing team can qualify these leads with personal emails and phone calls to see if they are **Sales Ready** – that is, ready to present to sales as **Marketing Qualified Leads (MQL)**.

Each step in the life of a lead – Name, Suspect & Prospect – requires criteria for defining the leads, the actions the leads might take at each step, and how your lead nurturing process will engage the leads at each step on the path to sales readiness.

Chapter 2 describes this in full detail.

Step 3: Map Content to Buyers and Their Buying Process

As marketers, we intuitively understand that we must know our target customers intimately to effectively market to them. In this step, we go through the process of understanding precisely who the various target buyers are and what motivates them. Keeping in mind that there may be several types of buyers involved in the purchase decision (particularly in B2B situations, less so in B2C), understanding your buyers requires building detailed **Buyer Personas**. Buyer Personas are comprehensive descriptions of each buyer as a person – a human being with wants, needs, pain points, motivations, attitudes, inspirations and specific demographic characteristics. Understanding each buyer in such detail will help you craft messaging and content that appeal directly and powerfully to each buyer.

While buyers may differ, the **Buying Process** is fairly uniform. The process consists of the sequential stages buyers go through from pain awareness to purchase of a product or service to relieve this pain.

Though many models have been created to illustrate the process, here is a simple one which has stood the test of time:

Awareness » Interest » Desire » Action (A.I.D.A.)

- **Awareness:** The buyer becomes aware that he/she has a problem to solve, a pain to relieve, or a desire to fulfill.

- **Interest:** The buyer researches information, typically online, to become educated about how to meet his/her needs. This is the stage when lead nurturing happens. Your job is to provide content that helps the buyer get the information he/she needs, as well as help him/her feel confident in your company as a supplier and solution provider.

- **Desire:** The buyer looks at specific alternatives (products, services) which can meet his/her needs, including your offering. Ideally, this comes at the culmination of your lead nurturing process, leading to a successful hand-off of the buyer to one of your sales team members. At this point, the buyer enters the sales process, where he/she will seriously consider your offering and attempt to justify purchasing it based on his/her ROI criteria.

- **Action:** The buyer chooses a vendor and makes the purchase.

At each stage of the process, you'll need to provide content that matches each buyer's role and stage in the Buying Process outlined above. This is called **Content Mapping**, and forms the basis of your **Content Marketing** strategy. This is the content you'll use in your lead nurturing program to build a trusting relationship with your buyers.

We'll cover mapping content to the Buying Process in Chapter 3.

Step 4: Create Your Lead Scoring System

To know when a lead might be a good prospect to qualify for sales readiness, you need a system to score **interest** and **demographics** for each lead in your lead funnel.

Interest: Buyers (leads) can accumulate points based on the actions they perform on your website, indicating their level of interest. Your marketing automation platform will automatically add and track these points as buyers take actions. Each action will earn a point score based on how indicative of buyer interest the action is. For instance, downloading a white paper can be a stronger indicator of buyer interest than simply viewing a web page. When a buyer surpasses a certain point score, you'll be prompted to evaluate that buyer for sales readiness. However, level of interest is only half the information you'll need for this evaluation. The other half is demographics.

Demographics: Not all leads are the same. Some are demographically in your "sweet spot" – they have the demographic characteristics of the person who will benefit most from your product or service and have the capacity and authority to purchase from you. Other leads are not a demographic fit. So, while you may get leads that rack up very high scores with their cumulative activities on your

website, they might never be candidates for your offering because they don't fit demographically. Examples would be students conducting research, casual visitors who want your content but not your offering, industry analysts, journalists, and competitors (none of these will ever become Prospects for your offering).

By collecting information about leads through online forms that must be filled out to access content, you can evaluate demographic fit and assign a score based on this fit, from "0" for no fit to "100" for perfect fit.

As mentioned previously, a Marketing Automation tool will perform all scoring for you, as well as alert you when leads are ready to be qualified based on that scoring, making it very easy for your marketing team to act on those leads that have true sales potential – those that have the demographic qualities of your ideal prospects, and which have shown enough interest for you to know they're truly seeking a solution.

See Chapter 4 for more on lead scoring.

Step 5: Implement Your Drip Marketing Programs

Now that you've designed your marketing funnel, defined your buyers, mapped content to the buying process and created your scoring system, it's time to design the actual campaigns you'll conduct with the help of your marketing automation platform. This includes setting up **Drip Marketing programs** – timed-release schedules of email notifications based on actions taken by buyers, promoting content that is appropriate to each buyer's role and stage in his/her buying process. In Chapter 5, we'll show you how to design the workflows to implement this.

Step 6: Analytics – Measuring Lead Nurturing ROI

Everything you do should be measured for effectiveness. You may have heard the following quote, attributed to John Wanamaker, who in 1874 was the first retailer ever to place a half-page newspaper ad (as well as the first full-page ad in 1879): "Half the money I spend on advertising is wasted; the trouble is I don't know which half." That's why this step is all-important.

How well are your lead nurturing efforts working? Metrics for gauging the effectiveness of your program include:

- Conversion rate of Suspects to Prospects
- Conversion rate of Prospects to Maketing Qualified Leads
- Percentage of Marketing Qualified Leads accepted by your sales team to pursue as opportunities, known as **Sales Accepted Leads**
- Conversion rate of Sales Accepted Leads to Won Opportunities
- Cost per closed lead from your lead nurturing program
- Revenue per closed lead
- ROMI: net profit per closed lead divided by lead nurturing cost per closed lead

In addition to tracking these metrics numerically, it's a good idea to create visual representations, presented in a "dashboard," to help your management team see at a glance how well your lead nurturing efforts are paying off.

We'll cover these metrics in more detail in Chapter 6.

Chapter 2:
Lead to Revenue: Defining Your Lead Funnel

In this foundational step, you will define your process for nurturing leads, from initial awareness of your offering to closed sales opportunities. This process identifies the various stages of the buying process and how to engage with the buyer at each stage. You'll also define the naming convention your marketing and sales teams will use for tracking leads through the funnel.

The AIDA Funnel

As far back as 1898, advertising and sales pioneer E. St. Elmo Lewis conceived the now often cited "AIDA" model for illustrating the consumer buying process. AIDA stands for: **A**wareness, **I**nterest, **D**esire, **A**ction. It is often depicted as a funnel, demonstrating the narrowing population of potential buyers as we progress from all folks who are aware of your product to those who actually purchase your product.
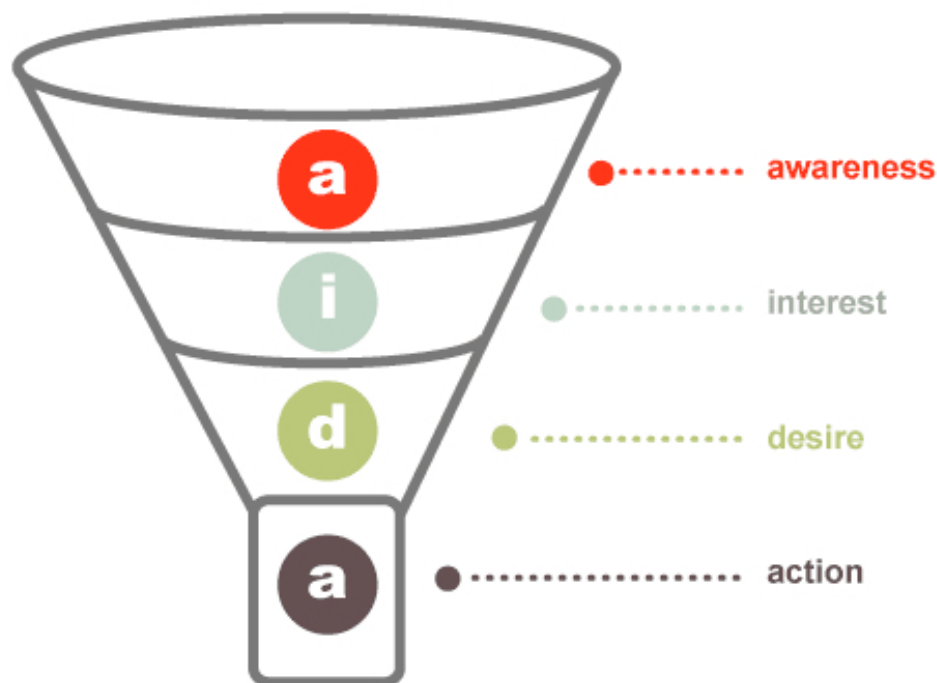

Source: Proven Models

This model has undergone many evolutions over more than a century, but the basic concept and visual metaphor are still very much in use today. The funnel goes by many names too: Purchase Funnel, Marketing Funnel, Demand Funnel, Customer Funnel and Sales Funnel, to name a few.

The Lead Funnel

The **Lead Funnel** takes the AIDA funnel to the next level, defining not only the stages buyers go through on the path to purchase, but also how we marketers should classify and respond to them as they take this journey. Here is the funnel graphic again, expanded to become our Lead Funnel:
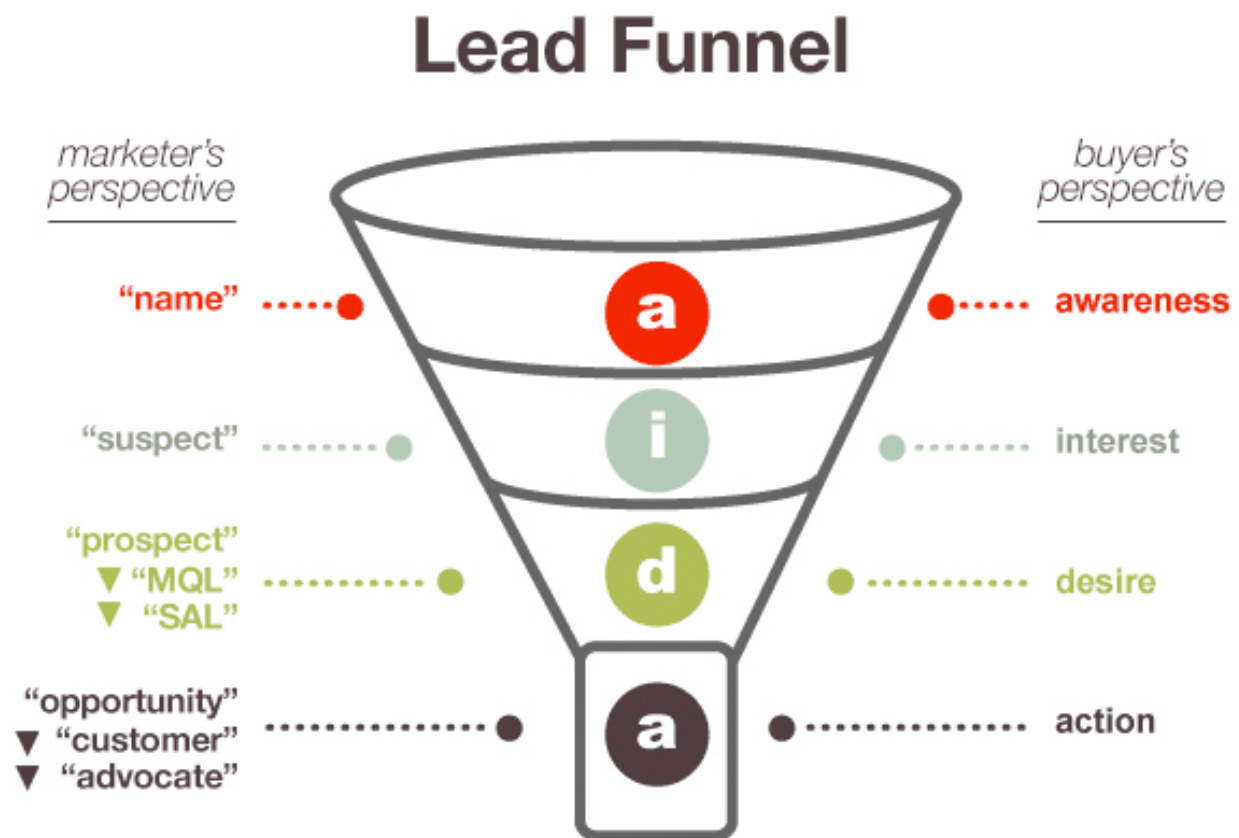
Let's define each of the labels on the left side of the chart, from the marketer's perspective. These are the stages a lead goes through on the journey through the funnel.

Name: This is a person about whom we really know nothing more than a name, and perhaps some piece of demographic information that hints that this person might be in our target market. Until this person takes some kind of action to indicate interest, he/she remains simply a name to us, even if that person can be shown to have awareness of our offering and brand. Names can come from many sources, including referrals and purchased lists. At this stage, marketing engagement with leads typically includes advertising, direct mail and emails.

Suspect: This is a person who has progressed to showing some amount of interest in your brand and/or offering. He/she may do this by visiting your website, attending a webinar, participating in a contest or promotion, filling out an online form to download a white paper, or subscribing to your blog. At this point, this person should now be on your long-range radar as a potential sales opportunity, and entered into one of your drip marketing programs (see Chapter 5). Your drip program could include a series of emails offering educational content and promotional giveaways to build interest. Your program will benefit from a multichannel approach, including direct mail and even SMS if a lead has opted for that.

Prospect: A person moves from being a suspect to being a prospect when he/she has done three things:

1) Shown enough **interest** by virtue of his/her interactions with your brand (website visits, webinar participation, participation in promotions, white paper downloads, etc.);

2) Fits your **demographic** profile for being directly in your target market; i.e. someone who can truly benefit from your offering and has the ability and authority to purchase it; and

3) Engages in a personal, **bi-directional conversation** with you, allowing you to assess his/her level of desire.

MQL – Marketing Qualified Lead (also known as "Sales-Ready Lead"): In your direct, personal conversations with each prospect, via personal emails, phone calls and in person, you'll be able to gauge if he/she is ready to engage with one of your salespeople. If you think the prospect is sales-ready, you can label that person as "Marketing Qualified" and transfer him/her to Sales.

SAL – Sales Accepted Lead: When your salesperson accepts a qualified lead from you, "ownership" of that lead passes from Marketing to your salesperson, who will then follow up with the lead directly.

Opportunity: Your salesperson has identified a specific sales opportunity with the lead and will pursue it to either "closed/won" or "lost." If the opportunity is "lost," take heart. Perhaps not all is lost…it might just be a matter of timing. You may wish to "recycle" this lead, entering him/her into another drip program to maintain contact until the timing for selling is better down the road.

Customer: Congratulations! You've won a customer. The funnel is complete. Or is it? Winning a customer is one thing. Keeping the customer is even more important. Closing the sale is only the beginning of the relationship, not the end. Now you need to continue to delight the customer, over and over. That's why we've included yet one more stage in the funnel:

Advocate: Because you've done such a good job of keeping your customer happy over time, he/she has become your advocate, telling others how great your company is and cementing his/her loyalty to your company. Great job!

Mapping Actions to the Funnel

As you nurture your leads from being names through to being advocates, you will need to engage your leads with appropriate messages, content and contact methods. To do this, it is helpful to build a process matrix that looks something like this:

Lead Funnel Process

Name	Suspect	Prospect	MQL	SAL	Opportunity	Customer	Advocate
Scores: Interest: 0 Demographic: 40 or higher	Scores: Interest: 20+ Demographic: 70 or higher	Scores: Interest: 400+ Demographic: 85 or higher	Marketing believes this is a good lead for Sales	Sales accepts the lead and pursues an opportunity	Opportunity identified!	Lead purchases from us!	Keep the customer delighted!
Introductory Email	Drip email campaign	Drip email campaign	Personal emails	Personal emails	ROI analysis	Contract!	Ongoing personal followup
Post card campaign	White papers	White papers	Personal phone calls	Personal phone calls	Proposal	"Onboarding" process	Customer support
Trade shows	Webinars	Webinars	Brochures & product sheets	Brochures & product sheets			Customer newsletter
	Promotional giveaways	Brochures & product sheets					
	Blog / newsletter	Blog / newsletter					

Keep in mind, not all leads are alike. You may have several different types of folks who either influence the buying process or make the final decision, particularly in a B2B context. So you'll want to make a chart like the one above for each buyer type, or **buyer persona**. Each persona has its own needs, desires, pain points, problems to solve, interests, inspirations and motivations. Logically, you'll offer different content to different personas based on their needs and wants. This is called **content mapping**. We'll cover content mapping to buyer personas in the next chapter.

Chapter 3:
Content Mapping

The goal of lead nurturing is to build a relationship with potential buyers in a way that gains their trust. We do this by providing content that serves the needs of buyers in every stage of their buying process.

First, we need to understand our buyers as real people. This is a multi-step process.

Understanding our Buyers

Step 1: Define the characteristics of a qualified buyer.

This is something your marketing team should do with your sales team. Take some time to sit down collectively and define ideal potential buyers by their:

- Titles, roles and responsibilities
- Budget and purchase authority
- Influence on the buying decision process
- Needs, wants, motivations, pain points
- Company industry, size, revenue, geographic location(s)

Step 2: Create your "Buyer Personas"

Combine the demographic data you assembled in Step 1 with secondary buyer research and personal interviews with existing customers (a great source of buyer information) to build your **buyer personas**: detailed descriptions of the different buyers who could be involved in the decision to buy your products and services. These descriptions of buyers are not just data summaries, but also **qualitative stories of *human beings***. Each persona describes a person with a distinct personality, key drivers, pains to relieve, problems to solve, desires, feelings, inspirations and motivations.

We can generally classify buyers into these **buyer types**:

- **End user**

- **Economic buyer:** person with final purchase authority

- **Influencer:** neither uses nor purchases the product, but is affected by it in some way and participates in its evaluation

- **Technical buyer:** validates the technological feasibility of implementing, using and maintaining the product

Then, we can assign corresponding **roles** to the buyer types. For instance, the buyer types involved in the consideration and purchase of an enterprise marketing software platform could have the following roles assigned to them:

Example Buyer Roles:

- *Buyer Type:* End user. **Role: Marketing Manager**

- *Buyer Type:* Economic buyer. **Role: VP Marketing**

- *Buyer Type:* Influencer. **Roles: Director of Sales, Director of Customer Service, Marketing Director, Marketing Coordinator**

- *Buyer Type:* Technical buyer. **Role: Director of I.T.**

Each of the roles that map to these buyer types should have its own buyer persona description. You'll need your persona list to be complete enough to cover the buyer roles that are critical to your sales and marketing success. But you'll also need a list that is simple enough to manage. Having too many buyer personas will unnecessarily complicate the design and implementation of your lead nurturing programs. In general, having four to six personas to nurture is probably appropriate for most lead funnels.

Create your Content Map

Now we can take the buying stages we defined in our lead funnel (Chapter 2) and map buyer roles and content to those stages. The right content will depend on both the buyer role and the stage of the buying process. Continuing with our example, your content map might look like this:

	Buying Process Stages				
	Awareness Discovery *Name* Identifying the problem	**Interest** Research *Suspect* Identifying solutions	**Desire** Consideration & Initial Trial *Prospect* Choosing potential vendors	**Action** In-depth Trial, Justification & Purchase *Opportunity* Choosing vendor finalists	**Action, Post Purchase** Use and feedback *Customer Advocate* Post purchase evaluation
Buyer Types	**Lead Nurturing Content**				
End User **Role:** • Marketing Manager	• Industry blog • General how-to videos • General industry white papers • Social media communities • General purpose ebooks • Advertising • Trade shows	• Industry blog • Overview brochure • Specific how-to videos • Job-specific how-to and best-practices white papers • Job-specific how-to and best-practices ebooks • Job-specific how-to and best-practices Webinars	• Specific product/ service brochures • Limited product trial • Online vendor demo • End user testimonial videos and case study white papers • Vendor comparisons • Product/service videos • Webinars - specific • Personal emails and phone calls	• Full product/ service use documentation • Full vendor demo • Comprehensive product trial • Vendor comparisons	• Onboarding documentation • Customer retention communications • Customer satisfaction survey • Upgrade offers
Economic Buyer **Role:** • VP Marketing (purchase decision maker)			• Economic Buyer testimonial videos and case study white papers • Top level ROI white papers and case studies • Online vendor demo • Vendor comparisons • Product/service videos • Personal emails and phone calls	• Buyer-specific, in-depth ROI analysis • Full vendor demo • Vendor comparisons • Proposal • Contract	
Influencers **Roles:** • Director of Sales • Director of Customer Service • Marketing Director • Marketing Coordinator			• Role/department - specific brochures • Role/department - specific case studies & testimonials • Online vendor demo		
Technical Buyer **Role:** • Director of I.T.			• Technical white papers • Online vendor demo	• Implementation & installation guides • Full vendor demo	

[*Click here to download this chart as a PDF »*]

Typically, the End User buyer type is involved in all stages of the buying process, while the other buyer types are active only in some of the stages.

Create your Content

In order to run drip marketing campaigns to nurture your leads, you've got to have the content with which to do the nurturing. Unfortunately, there is no shortcut for this step. It takes time, resources and talent to create content that will serve the needs of your defined buyer types at the various stages of their buying process. It's well worth the effort though. By providing relevant, informative white papers, articles, ebooks, videos, webinars and blogs that help buyers solve their problems and do their jobs better, your company will become a trusted advisor to these buyers. When it's time for buyers to compile their short list of vendors who can truly solve their problems and relieve their pains, your company will be on that list. What's more, by building this nurturing relationship with potential buyers, you'll learn a lot more about them, enabling you to best tailor your offerings and your sales process to really meet their needs. That's how you'll win their business.

Next

In the following chapter, we'll discuss creating your scoring system for evaluating the interest and demographics of your buyers to determine when they might be sales ready.

Further Reading

ZUZA Marketer's Blog Post: Buyer Personas »

Chapter 4:
Lead Scoring To Determine Sales Readiness

At this point in building your lead nurturing program, it's time to create a system for rating leads as you nurture them, so you can determine when they have become **sales-ready** (a.k.a. "marketing qualified leads"). Your rating system will direct your marketing automation platform to **score** the potential sales readiness of leads based on two factors: how **interested** they are in the marketing content you're offering them, and how well they fit the **demographic** profiles of your qualified buyers.

This chapter will give you the basics of defining your lead scoring system for gauging interest and demographic fit, and point you to additional resources for learning more.

Scoring Interest and Demographics

How do you know when a lead might be sales-ready? Two basic measures will give you confidence: **interest** and **demographics**.

Interest:

When someone searches for your company online, visits your website, fills out forms on your website, downloads your white papers, views your videos or attends your webinars, you can safely consider this person a lead. You can score these actions, awarding points to a lead for completing various activities.

The more activities your leads complete, the more points they'll accumulate. Once a lead has crossed a point threshold predetermined by your marketing team, that person may be ready for a qualifying call to see if he/she is sales-ready.

Some activities will more strongly indicate genuine interest than others. For instance, downloading a product brochure may warrant a higher point score than simply visiting the product page or downloading a general-interest white paper. Similarly, you may assign one point score for opening one of your emails, a higher score for clicking on its link to a landing page, and a higher score still for completing the form on the landing page and downloading a white paper.

You may also want to subtract points for certain activities, like opting out of your email list, or visiting your careers page (because a job hunter is probably not a lead).

How can you find the time to track all the activities of your leads, assign points to their activities and keep a running tally of their cumulative point scores? This is where your marketing automation platform steps in, doing all of this for you automatically. Using browser cookies and link tracking, your marketing automation platform will instantly record and score every action taken by your leads as they engage with your emails and your website. You won't have to lift a finger. Just sit back, relax, and watch the scores come in.

Here's an example of a rating system for scoring interest:

Scoring Interest

Action	Score Adjustment
Downloads white paper	+10
Downloads product brochure	+15
Visits home page	+7
Visits product page	+10
Visits pricing page	+15
Opens email	+5
Clicks link in email	+10
Searches for our company name in Google/Bing/Yahoo	+5
Registers for a webinar	+10
Attends a webinar	+15
Watches a video	+10
Email list subscribe	+10
Negative Score Adjustment:	
Email list unsubscribe	-15
Negative social media comment	-5
Visits career page	-10
Visits investor page	-10

Note: Just because a person accumulates a high interest point score doesn't mean that person is a lead worth pursuing. He/she must also be a good **demographic fit** with your definition of a qualified buyer. We'll talk more about scoring demographic fit next.

Demographics:

To define who is truly a **qualified lead**, your team will determine a set of values for specific attributes that describe these buyers, such as title, department, purchase authority, industry, company size, company revenue and geographic location.

For example, if you were selling a quality control device for production lines at manufacturers of electronic components, your demographic "sweet spot" might look like this:

- Title: **VP**
- Department: **Operations**
- Purchase authority: **final decision maker**
- Industry: **Electronic components manufacturer**
- Company size: **>100 employees**
- Company revenue: **>$50 million annually**
- Location: **U.S. and Canada**

You can score demographic fit just like you score interest. Different titles, departments, locations, company sizes, etc., can get different scores. You'll assign higher scores to attributes that have a closer fit to your definition of a qualified lead.

As with interest scoring, some demographic attributes may warrant a point *deduction*. For instance, college students or research analysts poking around your website aren't likely candidates for buying your offering. So, as we mentioned above, even if a person accumulates a boat load of interest points, he may still not really be a lead worth pursuing because there isn't a demographic fit.

The next page shows an example of another company, with its system for scoring demographics:

Scoring Demographics

Demographic Attribute	Value	Score Adjustment
Title	C-level	+15
	VP or Director	+10
	Manager	+7
Department	I.T.	+15
	Operations	+12
	Finance	+12
	Purchasing	+7
Industry	Electronics, Semiconductors, Automotive, Aerospace	+15
Purchase Authority	Decision maker	+15
	User	+12
	Influencer	+9
	Buyer	+5
Location	U.S.	+15
	Europe & Asia	+10
Company Annual Revenue	> $1 billion	+15
	$100 million – $999 million	+10
	$50 million – $99 million	+7
Company Size	>1000 employees	+15
	500 – 999 employees	+10
Timeline	0 – 3 months	+15
	4 – 6 months	+10
	7 – 12 months	+5
Negative Score Adjustment	Location not U.S., Europe or Asia	-15
	Annual Revenue <$50 million	-10
	Company Size <500 employees	-10
	Retail, Wholesale, Distributors, Dealers	-15
	Timeline >15 months	-10
	Title of student or consultant	-15

Note the different point scores for different demographic criteria. For instance, someone in the I.T. department gets a higher score than someone in the Finance department, and someone from a larger

company gets a higher score than someone from a smaller company. You can tailor your own point scores to favor the demographic characteristics of your ideal buyer types and roles.

How can you gain the information about a person that will allow you to score their level of demographic fit? Here are a few ways:

- Say you meet someone at a trade show or networking event, or that person sitting next to you on the airplane, and in conversation you learn that she is a great demographic fit. You get her business card and enter her into your CRM and marketing automation platform so you can start monitoring her activity.

- Acquire names from a lead database like Hoovers, Data.com or ZoomInfo, and select names that meet your preferred demographic criteria.

- Entice people, through organic search or pay-per-click ads, to come to landing pages on your website and fill out forms in exchange for access to download the informative content you're offering. These forms will collect the demographic data you need.

Note: to encourage filling out and submitting forms, keep them short, asking for a minimum amount of information initially. Then, use "**progressive profiling**," a feature of most marketing automation platforms, to ask for additional information when your lead comes back to your site to download another white paper. Your marketing automation platform will remember the information this person filled out previously and avoid asking for that information again, instead asking only for a few pieces of new information. Over time, you'll incrementally gain a full picture of this lead.

Putting It All Together

How does this all work in practice? And how do you know when it's time to give a lead a personal call to qualify him/her as sales ready? You'll do this by cross-tabulating interest and demographic scores to determine a *grade* for the lead. The higher the scores for each, the higher the overall grade. When a lead earns an "A," you can confidently hand him over to your sales team.

The next page shows an example of a matrix for determining when a lead is sales-ready based on interest and demographic scores:

Interest and Demographic Scores Determine Grade

	Score	Sales Ready Lead	Prospect	Suspect	Name
		Interest Level			
	Score	300+	300 +	20 - 299	0 - 19
Demographic Fit	81 – 100	A	B	B	D
	61 – 80	B	B	C	D
	41 – 60	C	C	C	F
	21 – 40	D	D	D	F
	0 – 20	F	F	F	F
		G R A D E			

As previously defined in our discussion of the lead funnel, a lead goes from being a *name* to a *suspect* to a *prospect* and then a *sales ready lead* based on demographic fit and interest level. Theoretically, a lead could accumulate interest points forever. In reality, interest points for a given lead will likely taper off as the lead accesses the majority of your content and advances to the point that he is ready to be qualified. Assuming he has crossed the interest score threshold *and* is a good demographic fit, in the example above, this person would be a solid "B." As you talk with him personally, you'll be able to determine if his interest in your solution elevates him to an "A," at which point you can confidently hand him off to your sales team.

Coming Up Next

Now that you've:

- Gotten your CRM and marketing automation platform (see Chapter 1)
- Defined your lead funnel (see Chapter 2)
- Defined your buyer personas and mapped content to them (see Chapter 3), and
- Created your system for scoring interest and demographics,

it's time to set up your marketing automation platform to, well, *automate* everything. In the next chapter, we'll discuss how to build drip marketing workflows for your marketing automation platform so you can start nurturing your leads.

Further Reading

Along with this basic overview of lead scoring, we highly recommend reading these great resources:

- [Manufacturing Demand, Chapter 5, "LEAD SCORING DEMYSTIFIED," By David Lewis »](#)
- [Marketo's' Ultimate Guide to Lead Scoring »](#)

Chapter 5:
Building Your Drip Marketing Program

Drip marketing is the process of regularly contacting your leads to offer them content they'll find useful. The term derives from "drip irrigation," which refers to slowly dripping water on plants over time to help keep them nourished. As a marketer engaged in lead nurturing, you'll use your drip marketing programs to nourish your prospective buyers with useful information, thereby gaining their trust and helping to advance them through your lead funnel.

This chapter gives you an overview of how to build your drip marketing programs.

First Things First

Having completed the steps in the previous chapters, you're *almost* ready to start building your drip. Because first, you'll need to have actual content to offer.

Content types:

To attract people to your website, you've got to offer them something. That something is useful content. You can offer this content in many forms:

- Instructional white papers
- Informative articles
- Educational webinars
- Compelling videos
- Helpful eBooks
- Convincing testimonials
- Illustrative case studies
- Insightful infographics
- Solution-focused collateral
- Useful blog posts
- Newsworthy newsletters
- Enticing special offers and promotions

Creating good content takes time and talent. For your drip marketing to work, you must devote qualified resources and time to creating a substantial supply of content that will attract leads. As we've described in the Content Mapping chapter, you'll want to create content that appeals to different buyer types and roles, at the various stages of their buying process.

The task of creating content may seem daunting at first. The best thing is to just start doing it. Use internal resources and/or allocate some budget to outsourced talent (writers, designers and videographers) to help you create a library of content. Here at ZUZA Marketing Asset Management, we've invested more than two years of time and dedicated a person to creating collateral, white papers, testimonial videos, and our marketer's blog. We've gradually grown our library of content, and we'll keep adding to it over time. (*Shameless plug:* you can view our content on our Downloads page, Success Stories page, and the ZUZA Marketer's Blog.

For additional inspiration, take a look at Marketo and HubSpot. These are two of the leading marketing automation companies, so delivering content is a natural part of what they do for a living. And it shows. They've created a treasure trove of truly great content to offer to their leads. This content is designed to help people, not to sell. These companies understand that the sale will come later; at this stage, it's all about relationship building – with great content. For still more inspiration and advice on generating great content, visit the Content Marketing Institute online.

Sources of Leads for Your Drip Programs

Your leads will come from a variety of sources. Let's divide them into two major groups: **organic** and **lists**.

Organic

Leads from organic sources will come of their own free will to your website because you've got something that interests them. Organic sources include:

- Referrals
- Trade shows
- Advertising
- Online search
- Social media (Twitter, LinkedIn, Facebook)

Organic leads are attractive to us as marketers because they're already interested in our content. We don't have to knock on their doors first. They're coming to us.

Lists

Leads gained from lists are simply names and contact information you've purchased; people with whom you have no prior relationship. You are initiating direct contact with them *without their prior invitation*. They may or may not know who your organization is and didn't ask to receive a communication from you. List sources range from bulk email lists to lists you can build yourself by using a business lead database tool like Hoovers, Data.com or ZoomInfo.

Many marketing experts will advise you not to initiate campaigns to lists, and with good reason. The people you contact may resent you for sending what they consider to be **spam**. Worse, if you don't follow strict anti-spam rules or if enough people on your list report you as spam, you may be blacklisted, meaning, emails from your company can no longer be sent because your domain has been marked as a spammer. This risk cannot be overstated.

A good number of companies do conduct email campaigns with leads from purchased lists and seem to avoid dire consequences. Some may actually get a decent return on their campaigns. There are also many stories of companies that not only got a terrible return but also got blacklisted, making it impossible to send emails from their domains. So if you choose to follow this route, proceed with extreme caution and with a full understanding of the possible consequences.

Regardless of whether leads come from lists or from organic sources, the most important thing is to make sure you treat your leads with the utmost respect. Send them emails offering content that is truly relevant and attractive to them. Demonstrate that you respect their time and their inbox by making it very easy for them to decline receiving future emails from you. Follow all CAN-SPAM Act legal requirements. In other words, don't be a spammer. Learn how to avoid being a spammer here » .

Planning your Drips

Now it's time to lay out the logic – your drip workflows. It is helpful to build a workflow diagram that charts every activity and decision point in your drip programs.

For instance, let's say that you are setting up drip programs for leads that come from organic sources.

STEP 1: Attract people to your website with offers of content.

You can do this by:

- Posting on Twitter, LinkedIn, Google+ and Facebook about content (we're assuming you've already got followers on these sites, but even if you don't, your posts can come up in searches)
- Placing text and banner ads using Google AdWords and the Google Display Network (e.g. PPC: "Pay Per Click")
- Attracting visitors through online search engines which have indexed your content
- Sending emails and direct mail promotions to existing leads who've opted in to your email list

STEP 2: Leads come to landing pages, with forms, on your website.

Leads fill the forms with their demographic information (name, title, email, phone, company, industry, etc.) in exchange for your free content. Hitting the submit button initiates the download of a PDF, registration for a webinar, or access to other content.

STEP 3: Put leads into relevant drip programs.

Your marketing automation platform adds the new leads to specific, segmented lists based on automation rules you've set in advance. For instance, you could specify that if a lead's title is "VP Marketing," then start that lead on the "Marketing Exec" drip, which will contain content tailored to that buyer role. (This automation logic is called a "**trigger**." The lead does something which then triggers another event, in this case, entering the drip.) The workflow could also specify triggering a notification email to you about the new lead, and adding points to this lead's interest score.

Another example: you could base a trigger on the type of content accessed. For instance, if a lead accesses a white paper on "Integrating This System Into Your I.T. Infrastructure" then you could put that lead in the "I.T. Drip," featuring a time-release schedule of emails promoting informative content for I.T. directors. On the other hand, if a lead accesses a webinar entitled "Ways to streamline your customer service ticketing system," then your marketing automation platform would put that person in the "Customer Service Manager Drip." And so on.

STEP 4: Initiate the drip program.

Once the lead has been assigned to a drip program, he/she will automatically receive communications from your company according to the schedule and workflow logic you've implemented in your marketing automation platform.

The next page presents a simple example of a workflow diagram for a drip program. All actions triggered by lead activity in your drip program are automated by your marketing automation platform.

Sample Drip Workflow
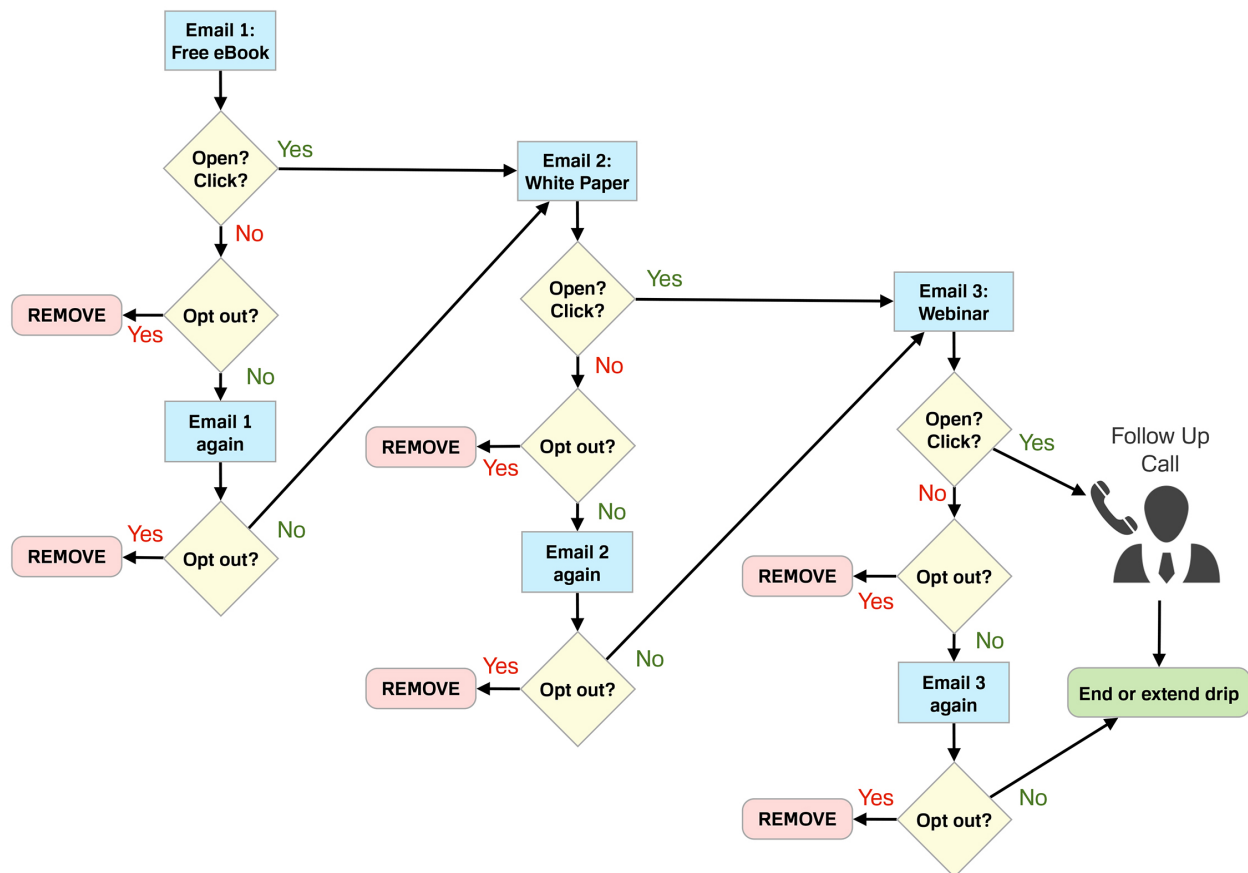
Notice that we're sending each email out twice. Why? Because, if a prospect hasn't opened the first email, there's a good chance the recipient didn't even notice it was in his/her in box. In that case, we want to give that person another chance to see this email by sending it again.

Notice also that during the third email blast, if the lead has opened an email and/or clicked on a link in that email, one of our sales or marketing people will be notified to make a friendly call to the lead. This call wouldn't be sales-oriented at this early stage. Instead, it would be just to follow-up and see how the recipient enjoyed the content he/she accessed. This demonstrates that you care about the person, not the sale, and will help to build the lead's trust in your organization.

In the interest of keeping this example simple, we did not include landing pages and form submissions in this diagram. You could link these to each of the diamonds that say "Open? Click? and then specify further actions based on whether or not the lead submits a form.

Finally notice that if the lead opts out of the email list (unsubscribes) at any time, the lead will be removed from the mailing list and will not receive any further emails from your organization.
This provides the respect this lead expects and deserves, and complies with anti-spam conventions. By respecting the lead's wishes, you'll help preserve your brand's good image.

STEP 5: Track Scores

As you accumulate leads in your drip programs, they will in turn accumulate demographic and interest scores based on your lead scoring rules. Your good leads will progress through your lead funnel, growing from purely a name to a suspect, then to a prospect, and, finally, a marketing qualified lead that you can pass on to a salesperson.

Setting Up Your Marketing Automation Platform

Your marketing automation platform is the power tool that makes drip marketing magic possible.
The platform automates all triggers and touches, with no limit on the number of leads it can do this for in real time, and without you having to do anything but watch the lead scores accumulate and follow up as appropriate.

Setting up your drip marketing workflows is a multi-step process. Let's review the steps:

- Segment your lead lists by buyer types/roles (personas)
- Map content to your personas and buying process stages
- Create your content
- Write and design emails, landing pages and online forms to promote your content
- Define your lead scoring rules
- Design your drip program workflow logic, with automation rules for adding scores and performing trigger actions

It's a bit of work upfront, but once you've gotten this all set up, you can just sit back, relax, and let your marketing automation platform do all the heavy lifting from here on out.

How you accomplish all this will depend on the marketing automation platform you've chosen. Platforms have varying functionality and user interfaces. Your marketing automation vendor should be able to help you enable everything we've talked about in this guide.

And, if you're still evaluating marketing automation platforms, you can use the concepts in this guide as an evaluation checklist to help make sure your platform will do everything you need.

Next

In the final chapter of this guide, we'll discuss the all-important step of measuring the effectiveness (ROI) of your lead nurturing efforts.

Chapter 6:
Lead Nurturing ROI Metrics

You're just about ready to launch your lead nurturing program.

But, before you do, you'll need to establish key metrics to gauge the effectiveness of your program. These metrics will help you track the quality of your leads, from acquisition to won/lost deals, and suggest opportunities to adjust your program for better results.

Key Metrics for Measuring Lead Nurturing Program Effectiveness

List Segmentation

These metrics tell us how well we're segmenting our lists. Do our lists contain people with the demographics we're looking for? Are we offering content that actually interests them? Are we successful in moving these people through the lead funnel?

Three key indicators of list segmentation effectiveness are:

- **Email unsubscribe rates** – if a lot of people are unsubscribing from your email lists, this is a clear sign that there is a mismatch between the people in your lists and what you are offering them. A general rule of thumb is that unsubscribe rates should be under 1% across all segments. If the rate is higher than 1%, it's time to take a closer look. Maybe you need to adjust your buyer personas or the content you're mapping to them (see Chapter 3).

- **Email click-through rates** – how often are email recipients clicking on the links in emails to view your landing pages? Obviously, we want as high a number here as possible. But what is considered a "good" rate? Email marketing service provider MailChimp quotes click-through rates that vary by industry, from 1.3% in the gambling industry to 5.5% in the photo and video industry. If your click-through rates are under 1%, you probably need to adjust your email and landing page creative, as well as the content you're offering.

- **Landing page conversion rates** – this measures how many leads complete a form or download something from your landing pages. If your landing page visitors aren't "converting," this means they aren't completing your calls to action, or CTAs. This can be a function of your landing page design and copy as well as how compelling your offer is to your target segment. Ion Interactive, a landing page optimization company, quotes an average landing page conversion rate of 2.5%. Other sources quote 2% – 10% for sales-oriented landing pages (where the CTA is for the visitor to buy something) and 20%-30% for opt-in landing pages (e.g. "Sign up for our newsletter.") What might be considered a reasonable conversion rate can vary significantly between industries and personas. Our best advice is to test different designs and offers, establish your own conversion metric benchmark, and then continually tweak to improve this metric.

You can also add metrics for web traffic success, meaning, how well are you driving people to your website and into your lead funnel.

- **SEO metrics** – short for **Search Engine Optimization**, these metrics are provided by Google analytics and by the visitor tracking capability of your marketing automation platform. These indicate how well your search engine optimization efforts are enabling people to find your site, what pages people are visiting, and how much time they are spending on your site.

- **PPC metrics** – short for **Pay Per Click** and part of **SEM** or Search Engine Marketing, these metrics, generated by the advertising platforms such as Google, Bing and Yahoo, tell you how many views and clicks your paid ads are getting on these platforms. By linking individual ads to unique landing pages, you can correlate the ultimate success of these ads with the conversion rates for these landing pages.

Qualified Leads

How many of your leads are actually potential buyers? How many have become customers? That's what these metrics will help you determine.

- **Marketing Qualified Leads (MQLs)** – the number of leads qualified by your marketing department as having good potential to buy something. This is determined by a combination of a lead's activity on your site, how closely his/her demographic profile matches your target customer, and what you learn by actually talking to him/her. MQLs are the leads your marketing team passes on to the sales team.

- **Sales Accepted Leads (SALs)** — this is the number of MQLs your sales team accepts from your marketing team to pursue. If your sales team isn't accepting all of your MQLs, you'll want to understand why. What is the gap in perception of these leads between the marketing and sales teams?

Customer Conversion

- **Lead to customer** – how many of your leads become customers?

- **Time to customer** – how long does it take for a new lead to become a customer?

- **Cost per customer** – what is the marketing cost to acquire a lead and convert that lead to a customer? You determine this by dividing the cost of the lead nurturing program by the total number of leads converted to customers that are attributed to the lead nurturing program.

- **Profit per customer** – total revenue from customers attributed to your lead nurturing campaign, less COGS (Cost Of Goods Sold); i.e. the cost to create the goods or services that were purchased.
- **Return On Marketing Investment (ROMI)** – expressed as a percentage, this is the profit per customer less marketing cost, divided by the marketing cost per customer.

Trends and Tests

As you accumulate these metrics, you'll need to study them over time. Are they going up, down, or flatlining? First, establish a baseline based on your initial results, for instance, after running your program for a month. Then, track your results week by week, month by month, quarter by quarter and year by year. If your results flatline or dip from day one, clearly there's room for improvement.

Moving forward, experiment with different approaches. Test different copy, designs and calls to action (CTAs) in your emails and landing pages. You can do that with A/B tests – using two or more entirely different emails or landing pages targeting the same market segment – or multivariate testing, changing only certain elements within an email or landing page to see if subtle changes can make a big difference. Your marketing automation platform should have the ability to help you perform both A/B and multivariate testing.

Lead Nurturing Campaign Costs

To compute your ROMI, you'll need to tally the costs of producing your campaign. Typical costs include:

- Content creation – conceiving, writing, designing and producing to create white papers, ebooks, blogs, videos, webinars and more
- Copywriting and design of emails and landing pages
- Program administration – designing drip workflows in your marketing automation tool and tracking results
- Search Engine Optimization (SEO) and Search Engine Marketing (SEM) to bring people to your website
- Social media involvement to bring people to your website
- Marketing automation platform (typically a monthly subscription cost)
- Production costs of hard copy items – collateral, white papers, promotional giveaway items, etc.

Next

To get started with measurement, you'll need to configure your marketing automation platform and CRM to provide the data for the metrics we've listed. You can view this data as text or as charts. You can create a dashboard which collects the data from these platforms as well as your PPC platforms and Google Analytics, and displays it in one place for you. Or you can subscribe to one of the online KPI dashboard tools that do this for you, such as Domo or Klipfolio.

However you do it, measurement and refinement are essential to the success of your lead nurturing program. By measuring continually, you'll quickly know how well you're meeting your goals, whether your ROMI is positive or negative, and how you can refine elements of your program to improve your results.

Additional Reading

We've scoured the Internet and our own archives to bring you informative resources on lead nurturing and demand generation. Here are some useful ones. We highly recommend consulting these resources along with this eBook as you implement your lead nurturing program.

- Manufacturing Demand, By David Lewis, CEO & Founder of DemandGen, a global marketing automation consulting firm.

- Marketo's Definitive Guide to Lead Nurturing

- Marketo's Definitive Guide to Lead Scoring

- Marketo's Definitive Guide to Marketing Metrics and Marketing Analytics »

- HubSpot's "How to Unlock the ROI of Your Marketing with Analytics" »

- HubSpot's "The 30 Greatest Lead Generation Tips, Tricks & Ideas" »

- ZUZA Marketer's Blog Post: Buyer Personas »

- ZUZA Marketer's Blog Post: Automation Magic »

- ZUZA Marketer's Blog Post: Marketing Automation »

- ZUZA Marketer's Blog Post: Beyond The Hype (of Marketing Automation) »

- ZUZA Marketer's Blog Post: Marketing's New Rules »

ZUZA™

Integrated Marketing Services

760.438.9411 | zuzamam.com