

Tying Campaigns To The Bottom Line With Buyer Engagement


How Behavioral Data Leads To
Revenue-Focused Funnel Measurement

Introduction

Marketing teams have traditionally been measured by the number of leads they drive, but more companies are starting to focus on the amount of revenue generated instead, as pressure to prove marketing ROI increases. With behavioral data from past closed business, marketers are able to identify what behavior leads to a completed sale and focus on the metrics that highlight potential revenue.

Progressive B2B companies such as [Xamarin](#) and [Host Analytics](#) have found success identifying the behavioral data and revenue-focused metrics required to attribute overall revenue to specific campaigns.

According to *Demand Gen Report's [Lead Nurturing Benchmark Study](#),*

 two-thirds (66%) of B2B marketers are tailoring their nurture programs based on the actions and interests of the prospect. This tailored

experience provides buyers with the relevant and contextual information they need to move down the sales funnel. However, 40% of those marketers are seeing no measurable difference in nurtured leads within their funnel versus non-nurtured leads. This highlights a clear disconnect in how B2B organizations are measuring their funnel from top to bottom.

Effectively measuring campaigns can help B2B marketers prove what's working — and what's not. They can then highlight how they're impacting the company's bottom line, which will potentially lead to more budget and resources.

Read on to learn how B2B companies can identify the metrics that matter to turn lead-driven marketing teams into revenue-driven marketing machines.

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Marketing Attribution Fueled By Revenue And Buyer Engagement

As marketing teams are tasked with driving a larger portion of revenue for their companies, CMOs must validate their current campaigns and tie them to the bottom line. This is where marketing attribution comes into play, according to Kevin Joyce, VP of Marketing Strategy at [The Pedowitz Group](#).

“Everyone wants to do [attribution] because it justifies marketing’s actions,” said Joyce. “But more and more CEOs are signing up their CMOs to be accountable for a certain percentage of revenue.”

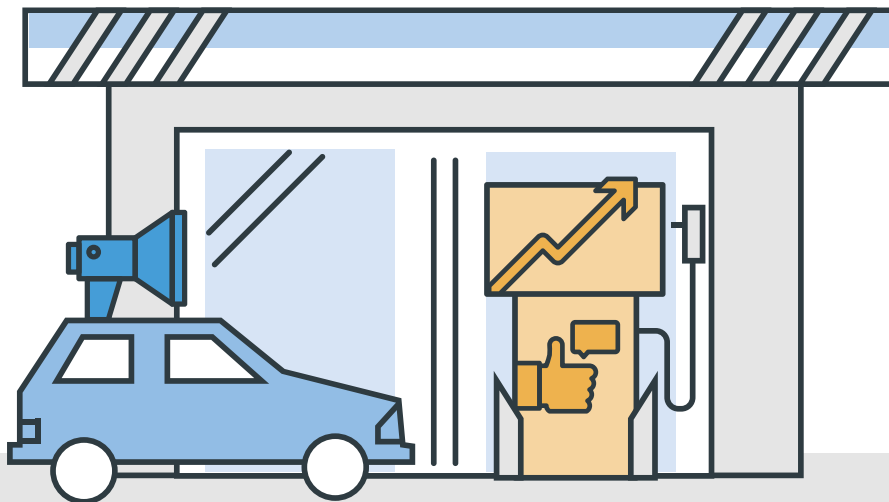
However, industry experts have noted that traditional attribution often understates marketing’s efforts.

“If you think about the funnel that everyone has in their head these days, the problem is that it’s only half of the story,” said Joyce. “That’s the acquisition funnel.”

An additional scenario is account-based marketing, according to Joyce. He noted that ABM is often looked at through a traditional funnel lens, which limits the ability to measure marketing’s success. “If you want to manage them as an account, you will need a funnel on the account/contact side of the world as well,” he said.

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- Kevin Joyce,
The Pedowitz Group



In order to tie marketing initiatives to the bottom line, you have to measure revenue and pipeline, experts noted. However, many B2B marketers may be overlooking **buyer engagement** as an overall KPI. Ultimately, being able to tie that engagement — such as interaction with a pricing page, comments on a blog post or questions asked via social media — to the pipeline provides the holistic view marketers need to identify which campaigns are driving revenue.

“They may measure email performance, for example, but they don’t measure the engagement altogether,” said Joyce. “It’s not about what we send out; it’s about the responses — and that’s what [marketers] want to measure.”

Aside from identifying which campaigns and channels are driving overall revenue, measuring revenue contribution — as well as buyer engagement — can also provide the sales and marketing teams with a clearer picture of lead velocity, or how quickly and efficiently leads are moving through the funnel.

“Identifying where leads get ‘stalled’ in the sales cycle is a key step in improving the efficiency of the revenue process,” said Howard Sewell, President of **Spear Marketing Group**, a demand generation and lead nurturing agency.

Multitouch attribution provides a more accurate and holistic view of campaign attribution, but it is much more difficult to implement. It requires a level of cooperation and consensus between sales and marketing that few companies enjoy, according to Sewell.

For example, a reliable multitouch model requires sales to capture and assign all roles — decision-makers, influencers, technical buyers, etc. — for any given deal.

“Unfortunately, most salespeople aren’t rewarded for (or motivated by) accurate data entry, and so the underlying data can be incomplete or inaccurate,” said Sewell.



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The “Scotsman” Approach To Effective Lead Handoff

The handoff from marketing to the sales development rep (SDR), then to the sales rep, varies greatly by business and business size.

“Some firms still use the BANT criteria (budget, authority, need, time frame) for this, but it can be difficult for teams to gain that information,” said Joyce. “I suspect buyers don’t like being asked: Do you have budget? Are you really the guy in charge with the authorization to do this?”

Joyce highlighted a different list of criteria — which he coined with the acronym “Scotsman”— that can provide B2B marketers a good place to start when measuring their funnel and efficiently handing off leads when ready. This includes:



SOLUTION: Does my firm have the right solution for this prospect?



COMPETITION: Who is the competition, and can we beat them in this situation?



ORIGINALITY: Does my firm have a unique solution, and has the prospect bought into it?



TIMESCALE: What is the timing for the desired solution?



SIZE: How large is the opportunity? Is the desired solution price sufficient for our needs?



MONEY: Does the client have the money in the approved budget?



AUTHORITY: Am I talking to the people who have decision/ purchase authority?



NEED: What does the prospect really need to accomplish (what is their business problem)?

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Xamarin And Host Analytics Tie Engagement To Revenue, Justify Marketing Spend

There are many moving parts to an enhanced funnel measurement strategy, and companies such as Xamarin and Host Analytics are finding that a holistic view of their funnel – and how prospects engage with their campaigns as they travel down it – enables them to enhance future marketing initiatives while tying current campaigns to the bottom line.

Xamarin, a platform designed to help developers create and build mobile apps, struggled with tying marketing expenses from paid search to customers who ultimately converted – even though the company had marketing automation in place.

With the help of **Bizible**, a marketing attribution and analytics platform, Xamarin was able to tie engagement with paid search keywords to prospects. This data provided Xamarin the insight its marketing and sales teams needed to have relevant and contextual conversations with prospects to move them further along the funnel.

“For example, if you spend \$50,000 in a month, you can see down the road that you’re getting \$350,000 back from that,” said Cori Godfrey, Head of Demand Generation at Xamarin. “Before, we weren’t really able to see exactly when that lead came in and how that revenue was allocated.”

This insight also helped Xamarin make accurate decisions on future marketing spend. “[Bizible] attributes revenue by cohort, which means I get a very clear ROI picture for each month and keyword,” said Godfrey. “So it’s easy to see what we should be spending on.”

Taking an account-based marketing approach to funnel measurement can also help B2B companies attain the alignment between marketing and sales that they need to understand which marketing initiatives are working. Host Analytics, for example, found that comparing KPIs for measuring

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success as accounts travelled through the funnel helped bridge a gap between the two departments.

“Traditional inbound funnel metrics are specific marketing metrics,” said Nick Ezzo, VP of Demand Generation at Host Analytics. “ABM metrics, on the other hand, look suspiciously like sales KPIs.”

On a quarterly basis, Host Analytics analyzes its ABM initiatives by measuring opportunity creation and acceleration – or the average rate of time it takes to convert a target account – through the reporting capabilities of Salesforce CRM. Other tools, such as Bizible and

LeanData, help the company gain deeper insight into which leads are a part of which accounts, as well as where those accounts are engaging with the brand. Ultimately, this helps Host Analytics better understand the account lifecycle and make more accurate marketing decisions.

Ezzo also said that the company is measuring engagement on the account level. “We look at [engagement] from a much more holistic point of view,” said Ezzo. “It’s important to look at not just what people do, but how many within an account are engaging.”

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Learn more about host Analytics’ ABM strategy [here!](#)



Identifying The Right Data With The Right Engagement

Joyce noted that you should think of the funnel as a river and gauge its speed to understand how leads flow through it. But there are multiple factors that could come into play — “false negatives,” like higher education research, for example — that have to be taken into consideration to paint an accurate picture.

“One funnel metric is conversion rate numbers, but you have to be careful with how you look at those numbers, and get rid of outliers,” said Joyce. He added that you also have to measure the age and stage of leads — i.e. how long they’ve been sitting in the funnel. These measurements, plus the engagement metrics and KPIs that matter to the B2B marketing team, can help gauge the health of your funnel.

While there are many tools designed to help B2B marketers measure mid-funnel engagement, there are a few other ways to identify buyer interests and pain points mid-funnel, according to Joyce:

1. Multivariate tests with blog posts, landing pages, subject lines, offers and remarketing advertisements. “Basically you make several offers and see which one gets the most traction with an individual, then explore that path further,” said Joyce.
2. Organize your website so you can create target segments in your marketing automation database based on number of web page views related to a given topic or product or business challenge.
3. Create outbound emails that have two side-by-side offers and see which one created the most engagement.
4. Leverage progressive profiling forms on your website and promote a series of chained offers that encourage prospects to come back for the next offer. “With each [offer] they get to answer one additional

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- Howard Sewell,
Spear Marketing Group

question — such as a product interest question or a challenge ranking question,” said Joyce.

5. Use a lead development team that acts like a concierge service to engage with prospects mid-funnel. The goal is to “help [buyers] find what they need,” said Joyce.

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engagement, empowers marketers to optimize their spend in a way to improve ROI,” added Sewell.

Ultimately, marketing is influenced by funnel conversion numbers. To gain that insight, you have to leverage that engagement data to move from last touch to first touch.

“That is the only way to work backwards from conversion to the campaigns,” said Joyce. “Good news is that marketing automation and tech allows us to easily measure that information now.”

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- Kevin Joyce, The Pedowitz Group



Interested in learning more?



Demand Gen Report is a targeted online publication that uncovers the strategies and solutions that help companies better align their sales and marketing organizations, and ultimately, drive growth. A key component of the publication's editorial coverage focuses on the sales and marketing automation tools that enable companies to better measure and manage their multi-channel demand generation efforts.

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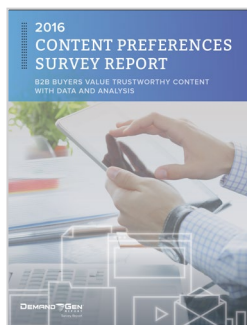
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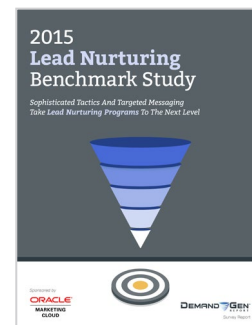
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