GoldsteinGroup
communications

A Fresh Look at B2B Marketing for 2019

Five Key Questions To Ask Your Marketing Team

WHITE PAPER

We know what you're doing. You're thinking about 2019, staring at a blank piece of paper, and wondering what to do next year that will have more impact, more traction, more ROI. Marketers are faced with that never-ending challenge – sure, this year was good. But what will you do for me NEXT year?

In a "what-have-you-done-for-me-lately" world, it's a good time to take a fresh look at your company's marketing concepts. For most B2B marketers and for most companies, 2018 was a good year. Customers were buying, and many companies will finish 2018 with solid gains in revenue and likely profitability. It gives us the opportunity to step back and question what we've been doing, and how to build on the solid work and results of 2018.

We would suggest five key questions and directions for your 2019 B2B Marketing plan.

1. Do You Know Your Switch Message?

The rise of marketing automation systems during the past few years has introduced many B2B Marketers to the concept of "personas," or background profiles of various customer groups. A well-defined persona ensures that a company speaks to its customers in a way that's focused on their priorities and is more relevant than competitor messaging.

Personas tend to stick to their own demographic background including information on how they buy, what they look for, their pain points--the usual. But most marketers walk away from customer interviews without getting answers to their two key questions:

> What was the "trigger" that first led you to consider buying our product?

> What are the "switch messages" that would get you to switch from our competitor to us?

In truth, you can't build a marketing platform without knowing the answers to these simple questions. The lack of that understanding leads to "me-messaging." It's the reason everybody's About Us website page sounds just like their competitor's. EVERYTHING you write and say to your customers must be infused with answers to your trigger and switch questions. If you haven't clarified that, or if you haven't interviewed your customers lately to make sure you can articulate those answers with insight, then 2019 is the ideal time for that customer message research.

Creating a "One Page Plan" with Switch and Trigger messaging is a powerful tool for creating and implementing differentiated messaging in an organization.

2. Are You Considering the WHOLE System?

Digital marketing is innovative, exciting and measurable—but it's just half the pie. In fact, even marketing as a whole is just half the pie. 2019 is the right time to build your program so you're addressing all sides of how you find and keep customers.
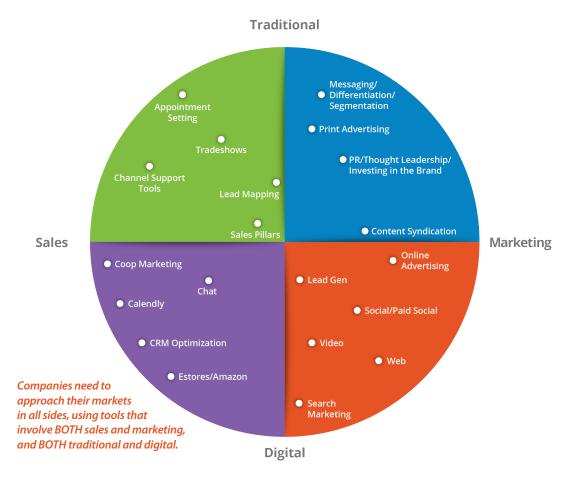
Customers come to you via both digital AND traditional, via marketing AND sales. It's not an either-or choice, and the smart B2B marketer gains competitive advantage by building a system that integrates all four sections of the circle in a way that's seamless and efficient. Marketing programs without close integration with sales, or a program too weighted to traditional, is like trying to run a car with low tread on the tires. Sure, it can get you to the store, but after a while you'll fail to make any traction.

Companies struggle to answer questions about how to balance traditional and digital. In fact, even though we're primarily a digital marketing agency today, we're encouraging clients to continue to invest in traditional programs as a way to break through the clutter of jammed email inboxes. Brands today can't be built by just sending out even more emails and even more white papers. A recent study on ciphr.com calculated that with 269 billion emails sent daily, we're all spending 13 hours A WEEK just in our inboxes. Clearly, a more nuanced approach, one leveraged by targeted sales activity, is needed to grow the business.

Without integration with sales, marketers are left to count clicks, Facebook likes and website visits-- what we call "vanity metrics." The only marketing that matters is what turns into an order. And today we have the technology tools and the tracking software to be able to close the loop on leads-to-sales questions.

Case in point: the classic marketing and sales team battleground involves lead generation and lead follow-up. Sales teams are frustrated with following up on leads generated by marketing ("those leads are all bad and not ready to buy"). Marketing teams are frustrated that sales teams won't spend the time to pursue early-stage leads ("if sales would JUST follow up on the leads we generate!").

Traditional

Sales

Marketing

- Messaging/Differentiation/Segmentation
- Print Advertising
- PR/Thought Leadership/Investing in the Brand
- Content Syndication
- Appointment Setting
- Tradeshows
- Channel Support Tools
- Lead Mapping
- Sales Pillars
- Coop Marketing
- Chat
- Calendly
- CRM Optimization
- Estores/Amazon
- Online Advertising
- Lead Gen
- Social/Paid Social
- Video
- Web
- Search Marketing

Companies need to approach their markets in all sides, using tools that involve BOTH sales and marketing, and BOTH traditional and digital.

Digital

We've come to understand two truths about this conflict:

› Salespeople shouldn't be given leads at the top of the funnel. Sales people are too expensive to be spending their time uncovering those opportunities. And they're not really incentivized to do so. The VP of sales is interested in what's going to close this quarter, not later. There's simply no time for long-term prospecting and development.

› But someone's got to do that long-term spadework. And salespeople HATE to do it. It's one step removed from cold calling, and they're just too busy pursuing more immediate and hotter opportunities. Those early-stage development calls are something that can always be made tomorrow…but tomorrow never comes.

The solution isn't to set both marketing and sales teams for conflict and frustration. Rather, the solution is to outsource it. Give it to an appointment-setting firm (there ARE good ones!), or hire people whose ONLY job is early-stage prospecting. Those people are wired in a special way to succeed in this most difficult part of the sales process. Turning early-stage marketing leads over to that type of sales team is proven to generate the big opportunities and new accounts that drive sustained growth.

One last point: using technology to integrate marketing and CRM sales technology platforms is vitally important and should be on everyone's 2019 to-do list if it's not already completed. If you're using HubSpot or another marketing automation tool, invest this year to integrate it with your company's CRM in order to get accurate closed-loop reporting on leads-to-sales. In truth, this used to be more of a challenge, but now the APIs and other integration tools have made this a far easier problem to solve than in the past. Companies no longer have to satisfy themselves with separate marketing and sales dashboards and tracking systems that just don't deliver the complete picture on what's happened and on what to forecast. CRM-Marketing integration is the "last mile" in marketing accountability, and 2019 is the right time to connect those dots.

3. What's Our Approach to Brand?

Brand is back. But, of course, it never left. However, some took the digital and web experience too far, believing that their companies could thrive with just a great website and strong organic search positions. Sure you still need that, but marketers are beginning to see more revealing data on what drives long-term market success.

Have you noticed the highest-performing organic and paid search terms seem to be those connected to your company name, or your product brands? Have you seen people click on branded ads more often than any of your others?

We do. In fact, when some of our clients have purchased companies with decade-old brands and identities, we typically can show them that those established brands are the terms that drive their online response.

Google has commoditized search and equalized it to the point where a company can outrank its competitors regardless of size. Certainly, earning top-of-the-page position is important, but consistently we're seeing brand names drive more paid search clicks, more online ad clicks, more organic traffic, and search volume. It's the competitive advantage for companies in an online arena.

In the past, marketers were forced to resort to platitudes about the importance of the brand, how it helped open doors for salespeople, how it accelerated the sales cycle if prospects didn't say, "I've never heard of your company." Now, we can go beyond anecdotal value of the brand, with hard online data that shows its impact.

Why? Much has been written about the value of trusted brands, and without getting too deep into pop psychology, trust appears to be becoming more significant in brand loyalty. Brand recognition is tied to trust, of course, and is the first step toward establishing a relationship between you and your buyer.

Test it yourself. Look at your own website search volume, online ads and paid search clicks. Run A/B testing of online ads to see which ad outpulls the other. You'll see it clearly – branded is best.

4. What's the Next Step We Should Take in Martech?

There's too many acronyms in life, but you've probably started to hear a new one: Martech, for marketing technology. It's gaining traction in our vocabulary simply because it's assuming more priority for success.

In fact, the intersection of marketing and technology is where the competitive advantage is for marketers. Consider this: today everybody's got a website, everybody's got a landing page, everybody's got a Request a Quote button. We're all sending emails to push people to our websites, and we're all working as hard as we can to win the search engine position battle.

So, we're all doing the same things. Who wins? Who gets the prospect into their sales funnel first?

Yes, switch messaging, face-to-face selling and brand equity are important. But those who use technology with more depth, sophistication and nuance will have an advantage that goes beyond "first-mover" advantage.

In many ways, it goes back to the focus you should have on your "uber-metrics," the KPIs that drive revenue and profitability more than any other: Days to close and Cost/quote. When marketers are able to improve those two metrics, they have a specific and exciting impact on the business that goes so much farther than reporting on those vanity metrics that just lead to glazed eyes in the C-suite, and questions about whether marketing is really contributing anything worthwhile.

Here's an example. Every company has a Request a Quote form on the website. It's a staple of quality lead generation. But can we do beyond simply making the form prominent on the site? What if we were to dramatically increase not just the numbers of people who viewed the form, but those who COMPLETED it and converted? Consider this chart:

	Quote Page Views	Submissions	Bounce Rate
Client A	1734	521/30%	60%
Client B	478	78/16%	80%
Client C	2393	403/17%	90%
Client D	664	118/18%	54%
Client E	679	188/28%	66%
Client F	1197	191/16%	82%
Client G	230	29/13%	74%

Clearly, everyone wants to emulate Client A or E, so what is it about those quote forms that perform so well? Is it length, format, ease of use? Is there something about the industry that leads to more completions? How can I get the bounce rate down? Will chat improve my completions? (Do you know how YOUR quote form performs, compared to these stats?)
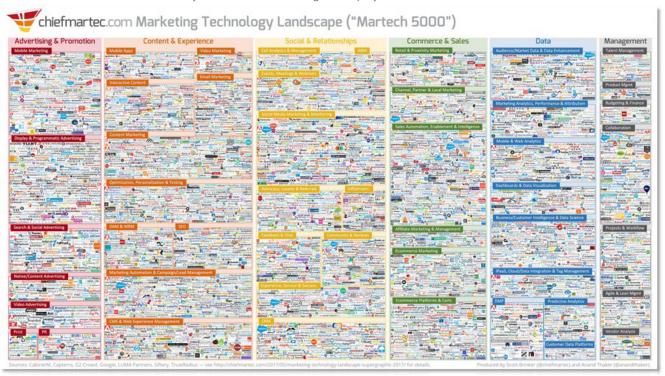
Applying technology to answer those questions drives significant performance improvements over benchmarks, and of course better marketing results. Technology is not limited to just quote form completion, so consider factors like these:

> How do we create greater online engagement, in an era where people are becoming less and less likely to complete a lead form on our websites? LinkedIn, for instance, recently published an article saying that younger millennials (78%), older millennials (80%) and Gen Xers (82%) opted out of downloading gated content when it required filling out a form. Is the form dying? A bit scary to think, but perhaps yes. So we'll have to up our game on creating engaging content that makes readers call or engage in more urgent ways.

❯ None of us are doing enough A/B testing. Too often it's an afterthought, yet it can reveal critical insights we need to have on user experience, engagement, time of day, days of the week, etc.

❯ How do we use technology to engage with prospects at the very moment they're engaging with us? Every study shows that alerts and chat dramatically improve our ability to convert an anonymous visitor to a qualified prospect, not just an early stage lead. Yet too many are afraid of the imagined overload to their customer support or sales teams…so reluctant that they preserve the status quo rather than change their processes to get more qualified leads. That would be hard to justify to the C-suite.

❯ Our research with many B2B clients shows that customers want to work with companies that make things the easiest for them. Don't make me learn your model numbers; don't make me guess what accessories I need. Don't make me wait for a response I want now, while I'm in my design software. How can we use technology to match our customers' sense of urgency, rather than our own schedules? As an example, we can use instant appointment-setting tools like Calendly to give them an immediate method of engaging with us, rather than waiting for a response and letting interest decay over time.

It's an important step forward, a push on martech tools, that yield the critical insights that impact the business in a way that makes marketing a true player.

Chiefmartech.com publishes an annual census of all the technology company logos serving the marketing industry.
No wonder it feels overwhelming to keep up!

5. Is it Time to Open Your E-Store Yet?

We understand channel conflict. No one wants to jeopardize $100 million in sales through a distributor network in order to get $100,000 on your Amazon store or website shopping card.

But the debate really has moved on. In truth, the E-Store-Channel Conflict debate ended in about 2015. Distributors are selling our products on Amazon. Competitors are selling their products on their websites. You can preserve the channel rules set up in the 1980s, or agree to move forward into a faster-paced marketplace that your customers have already told you they preferred.

It's the classic retail example that many B2B executives don't intuitively want to accept: you have to go where your customers are. They get to decide the rules, not us. So if 50% of Americans have Amazon Prime, and if 45% of engineers say they regularly buy products for work on Amazon (source: Aspencore 2018), it's no longer a question of whether to sell online – but how fast can you get my e-store up and running?

That's not to say you ignore your channel. You'll have to revise your commission structures, and savvy online marketers are in fact sharing online sales revenues with sales agents that have geographic or industry territories to protect.

Today, the tools for online e-stores and online configurators have dramatically improved, along with their integrations to CRM and HubSpot marketing automation tools. We encourage clients to begin with their core product movers, and build from there.

One thing is certain: Amazon isn't going away, and B2B online purchasing is only becoming more widespread, not less. It reminds one of the choice newspapers faced in the 1990s: when they saw that eBay and Craigslist decimated their classified advertising revenue, which formed the financial platform of the industry, they resisted--rather than embraced--the digital change taking place among their customers.

Customers always get to decide. It's a law of marketing.

2019 Marketing Planner

I. What's the Budget?

How much should you budget for marketing? How should you spend it? While many companies subscribe to the "dartboard" theory of marketing budgeting (sure, $100,000 sounds right), simple math can provide a more predictable and logical method of building a budget that makes sense for the business.

Many companies refer to industry averages for budgeting – I should spend 2% of sales, 5% of sales, etc. While that's a good guidepost, it doesn't truly tie a marketing budget to needed results.

There's a fair amount of homework and research involved in these calculations. But once completed, it provides an accurate picture of your sales funnel along with a budget figure that even the most skeptical CFO would agree is logical.

1. What growth in revenue do you project for next year?   _____

2. What is your average order size?   _____

Now, you know how many orders you'll need to hit your revenue growth target.

3. How many quotes/sample requests do you need to generate each order?   _____

4. How many leads do you need to generate each quote sample request?   _____

Now you know how many leads you'll need to generate the number of orders you want. Let's move on to determining what the budget should be.

5. How many quote requests did you generate this year?   _____

6. How many leads did you generate this year?   _____

7. What was your TOTAL marketing budget (excluding staff)?   _____

Now you know what your average cost/lead and cost/quote is. At this point you're just about done.
Here's an example:

Typical Scenario:

> What growth in revenue do you project for next year? $10,000,000

> What is your average order size? $10,000

Now you know you'll need 1000 orders to hit your revenue growth target.

> How many quotes/sample requests do you need to generate each order?
   (i.e., what is your current quote-to-order ratio?)   3,000

> How many leads do you need to generate each quote/sample request?
   (i.e., what is your current lead-to-quote ratio?)   8,000

Now you know you'll need 8000 leads to generate the number of orders you want.
Let's move on to determining what the budget should be.

> How many quote requests did you generate this year?   2,000

> How many leads did you generate this year?   6,000

> What was your TOTAL marketing budget (excluding staff)? $600,000

Now you know you'll need 1000 orders to hit your revenue growth target.

So if you need 1000 orders to hit your target, and you need 8000 leads to turn into 1000 orders, and your cost/lead is $100, your marketing budget for the year MUST be $800,000 to make your ratios work.

Assumptions: this applies ONLY to new customers, but that's typically where revenue growth comes from anyway. This sales funnel applies only to that $10 million in incremental growth at the top. It also assumes marketing is the source of these leads, rather than the channel or sales teams who bring you leads they already know about.

Good marketers lower the cost of marketing by improving those ratios and lowering the key KPIs of Cost/lead and Cost/quote. They view marketing and sales funnels as a system, as a machine, and make improvements to the machine to accelerate it and improve the way it performs.

II. Goals and KPIs

What goals and meaningful KPIs should I build into my plan for the year? Typical examples would be:

> Increase penetration of existing accounts by adding X new names to the database for each target account

> Acquire X new accounts

> Support X product launches

> Enter new market sector

> Improve website conversion percentage

> Build brand awareness and/or preference in X market sectors to X%

> Expand to Europe

> Expand to growing market segments/diminish investment in declining segments

> Boost channel share of mind

> Improve sales-marketing integration

> Cross-sell to existing accounts

> Grow average revenue/order or revenue/account

III. Solve the Barriers

What are the barriers I need to solve this year in order to achieve those goals and KPIs?

_____

_____

_____

IV. What strategies am I putting in place to solve those barriers?

Barrier	Action Plan

V. Stop-Start-Continue

What worked this year and what didn't? What will I start-stop-continue?

Stop — and why?	Start — and why?	Continue — and why?

VI.   What new technology tools do I need to meet my goals this year?

Tool	What will it achieve?	Cost

VII. Calendar

What product launches/trade shows/major calendar items do I need to plan for this year?

Initiative	Month	Budget

VIII. Budget Allocation by Program

Program	Typical Percentage of Budget	Your Allocation
Content Marketing	16%	
Tradeshow	16%	
Advertising / Branding	12%	
Channel Marketing / Customer Events	8%	
PR	9%	
Sales Tools / Collateral	8%	
Program Management	7%	
Website Development	7%	
Search Marketing — Organic / Paid	6%	
Video	3%	
Technology Tools	4%	
Social Media	2%	
Market Research / Voice of Customer	2%	
Total	**100%**	

About Us

Goldstein Group Communications (GGC) creates high impact branding and lead generation programs for b-to-b companies that are seeking more powerful ways to find and keep customers. The company specializes in Marketing to Engineers and has a long track record in writing engineer-to-engineer technical copy that other agencies struggle to produce. GGC was founded in 1992 as a public relations agency and today represents both entrepreneurial and billion-dollar multi-national firms throughout the country, with 50% of revenues coming from clients outside Ohio. GGC combines both left-brain analytics with right-brain creativity to provide a powerful marketing approach that leads to "Measurably Better Marketing."