

ASCEnt

Demand Generation Program

Program Sponsor:



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Demand Generation Program

**RICK ENDRULAT
01-20-2015**



Agenda

1. Introductions
2. Goals/Objectives
3. Process/Structure/Schedule
4. Curriculum; Time Commitments; Deliverables
5. Discovery
6. Intro to the Buying Process Framework
 1. Buying Landscape Today
 2. Sales and Marketing Alignment
 3. Demand Type
 4. Customer Buying Cycle
 5. Demand Waterfall
7. Next Steps

Who am I?

- Founder, Virtual Causeway
 - Demand Creation Company
 - Founded in 2001
 - Profit's Fastest Growing Companies 3 times
- Tech Sales & Marketing
- Laurier Launchpad/Schlegel Centre
- Focus on B2B Sales and Marketing
- I enjoy working with early stage companies – get them on the right track!



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Introductions

- Name
- Role
- Company
- Company Description
 - What you do
 - Who do you sell to/target
 - B2B? B2C?
 - How do you sell/target

Goals/Objectives

As I see it...

- As a growing/early stage organization, how do we build the processes and programs to develop our sales/marketing function?
- How to build strong demand gen processes (internal, external, etc)
- Focus on 'how to' not only the 'why'....
- Provide tactical solutions, real world examples, and **stuff you can use right away**

Process/Structure/Schedule

- Workshops – the formal content
 - Discussion!
- Homework/Pre-work
 - Exercises, etc.
- 1on1 Calibration Meetings
 - Discuss questions, exercises, progress
 - Con Call (or F2F depending on location)
- ‘War Room’ (twice during the program)
 - Multi-disciplinary team of sales/mktg tacticians
 - Tackle an existing challenge/campaign/tactic
 - Companies book time with the team
 - ***Generate actionable results!!!***

Process/Structure/Schedule

21-Jan	Week 1	Workshop #1	9 am - 1 pm	Jelly Bean
28-Jan	Week 2	1:1 sessions (30 minute blocks)	9 am - 1 pm	Room of Destiny
4-Feb	Week 3	Sales & Marketing WAR ROOM (1 hour blocks)	9 am - 1 pm	Room of Destiny
11-Feb	Week 4	Workshop #2	9 am - 1 pm	Jelly Bean
18-Feb	Week 5	1:1 sessions (30 minute blocks)	9 am - 1 pm	Room of Destiny
25-Feb	Week 6	Sales & Marketing WAR ROOM (1 hour blocks)	9 am - 1 pm	Jelly Bean
3-Mar	Week 7	1:1 sessions (30 minute blocks)	9 am - 1 pm	Room of Destiny
10-Mar	Week 8	Final Group Session	9 am - 1 pm	Jelly Bean
17-Mar	Extra Week	if needed for rescheduling	9 am - 1 pm	Jelly Bean

Housekeeping (cont'd)

- Contact List
- Rick E., Beth B., Isabel
- Schedules
 - Workshops
 - 1on1 meetings

Curriculum

1. Introduction & Strategy
2. Data/Systems/Infrastructure
3. Programs/ Campaigns
 - Inbound/Outbound
4. Engagement
5. Measurement

Marketing and Sales Working Together



Time Commitments

- What to Expect:
 - Workshops – 2-ish hours
 - Depending on # of participants
 - 30 minute 1on1 meeting
 - War Room – 60 minutes
 - Additional Exercises/Work
 - .25-??? Hours/week

Deliverables

- Best Practices
- Theory
- Tactical Ideas and Solutions
- Recorded/Archived Webinars & Presentations
- Whitepapers, articles, etc.

Discovery

- Company
- Top Sales and Marketing Challenges



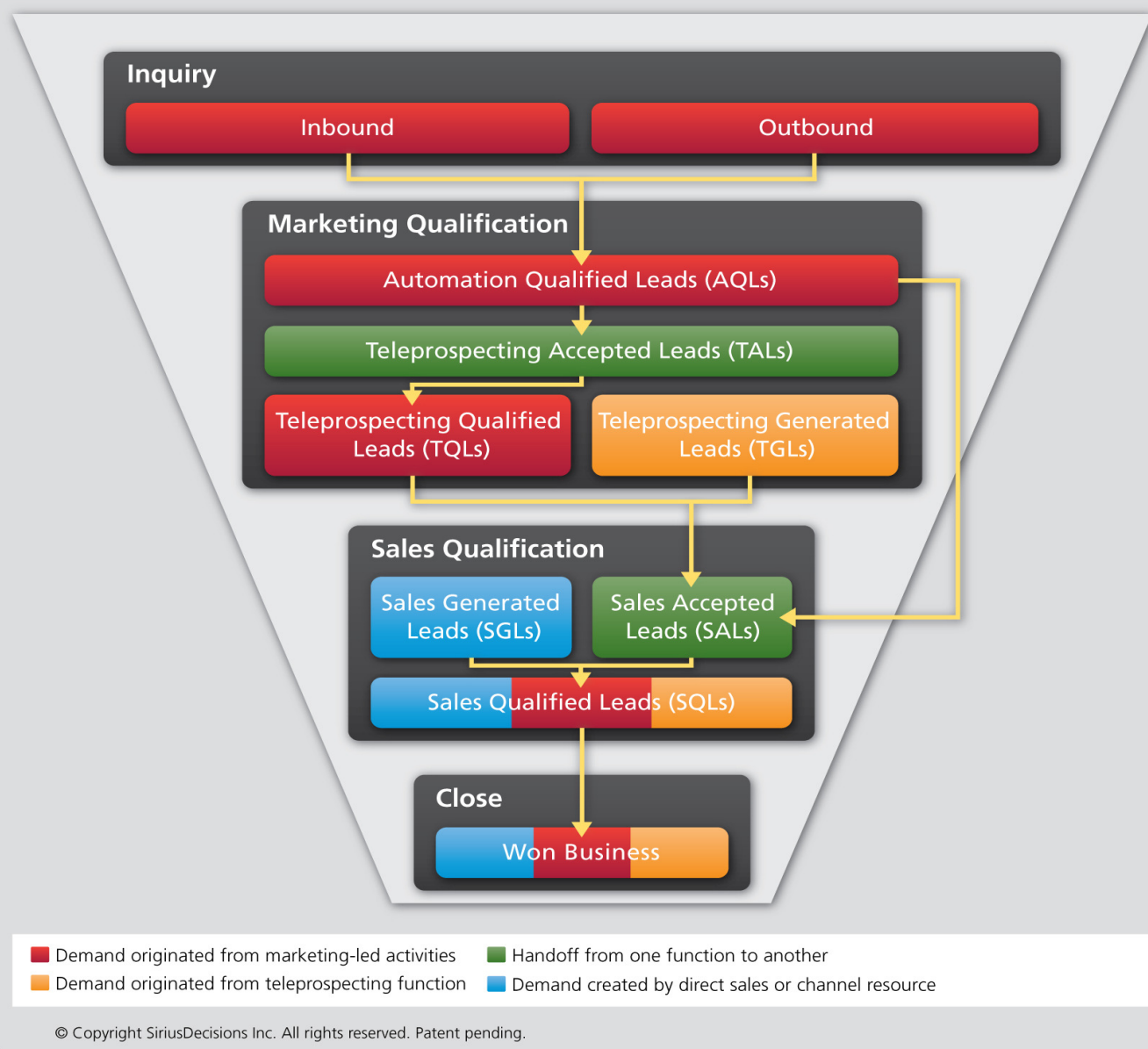
Methodologies

- Demand Waterfall
- Buying Process Framework

Intro to the Buying Process Framework

- Sirius Decisions
 - Technology Research Firm
 - Ex-Gartner, Metrics Driven
 - Aligning Sales/Marketing/Product
 - Great tactical resources
 - www.siriusdecisions.com
 - Customer Buying Cycle
 - Demand Waterfall

The SiriusDecisions Demand Waterfall



Demand Waterfall



Customer Buying Cycle



Campaigns

Education

- Media Relations
- White Paper
- Webinar Series

Evaluation

- SE - PPC
- Trade show
- Email drip

Selection

- White paper
- Customer Success Story
- ROI Tools

Content

White Paper

Analyst Report

Use Cases

RFP Docs

Case Studies

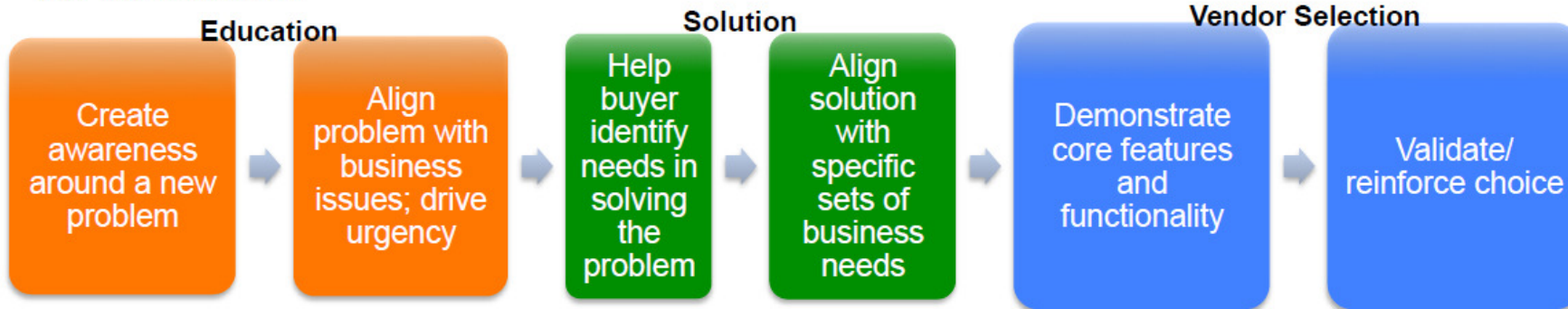
ROI Tools

Education>Evaluation>Selection

BUYING CYCLE



MESSAGING



TOUCHES



Source: SiriusDecisions

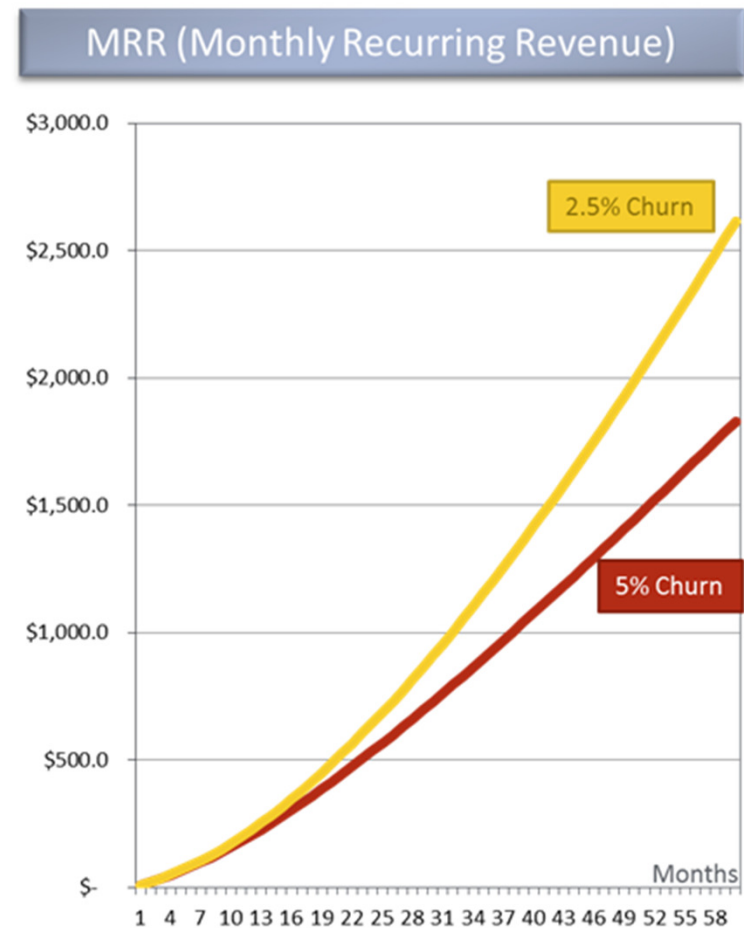
How has
'selling' changed in
recent years?



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Lifetime Value vs. “Deals”

- SaaS/Subscription-based business models are based on lifetime value of a customer
- Activation, Retention, Renewal and Referral are critical
- This thinking is moving into non-SaaS businesses
- The rise of the “Customer Success” team



Customer Success is Business Success

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The Changing B2B Buyer

- Buyers are seeking and finding more information on their own—they're in control
- There is an information abundance and we have to be heard through the noise
- To drive revenue, marketers must become more adept at identifying sales-ready leads and nurturing the remainder
- Companies need to interact with prospects early in the sales process, by providing relevant information in the early stages of the buying process

A recent Forrester report found:

"Buyers seek out 3 pieces of content about a vendor for every 1 piece sent by a marketer, and for every 1 piece sent from sales"

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Buying Landscape

Sales Cycle is Longer: 22% longer when compared to 5 years ago

More People Involved: Average of 3.5 more people involved in enterprise decisions

Solutions Focus: 79% of marketing campaigns are solutions-based

Sales Pipeline: Average pipeline to quota ratio is 3.46 to 1 today

Sales Calls: Average sales rep spends only 18% of their time with prospects and customers selling

Buying Landscape

More Complex Buying Team

- More stakeholders
- Professional procurement specialists
- Heightened focus on ROI and break-even point

Power is in the hands of the buyers

- Web provides unlimited resources – self service
- Web and social exposes ‘vendor warts’

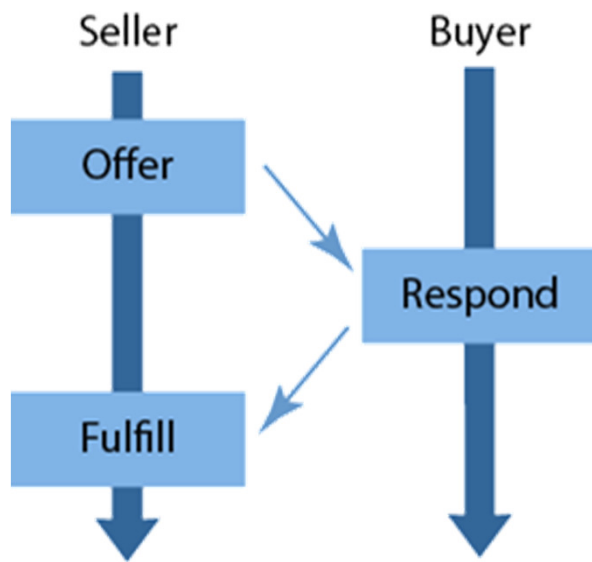
In enterprise B2B sales, marketing to economic buyers AND influencers is critical

- 90% acceptance of influencers’ recommendation on technology purchases (Information Week)

Today's Buyer Requires a New Engagement

Old

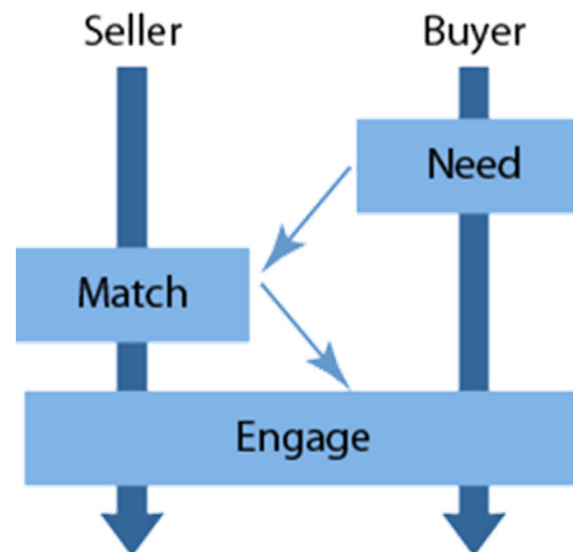
Market interactions based on products



Scale with media

New

Market interactions based on business outcomes



Scale with social and digital media

Source: May 7, 2008, "Community Marketing: A New Discipline For Business Technology Marketers" Forrester report

SALES AND MARKETING ALIGNMENT

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Marketing

Sales



Same Old Recycled Arguments

Marketing's Complaints

Why aren't you following up with our leads?
What Marketing collateral are customers responding to?
How many of my leads are going into a black hole?
How much revenue has my marketing generated?



Sales' Complaints

Why does Marketing keep spamming my accounts?
Marketing leads are garbage!
Can I see what my prospects and accounts are doing on the website?
Not enough leads!!!!



Marketing & Sales Alignment

- Improve contribution to the business in a more tangible and repeatable manor
- 6 most important things to do if your goal is to:
 - Contribute to the alignment of marketing and sales
 - Systematically generate demand that tracks back to revenue
- Best in class – 7x the revenue contributions vs. those that perform at an average level

6 Concepts in Leading Organizations

- Demand Type
- Relative Targeting
- Lead Taxonomy
- Buying Cycle
- Portfolio Marketing
- Demand Waterfall

6 Concepts in Leading Organizations

- **Demand Type**
 - Relative Targeting
 - Lead Taxonomy
- **Buying Cycle**
 - Portfolio Marketing
- **Demand Waterfall**



Marketing and Sales Working Together



DEMAND TYPE

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Demand Type - what type of demand are you trying to create?

- B2B marketers try to use a one size fits all approach. This results in:
 - Watered down messaging
 - Poorly defined targeting
 - Lack of lead definition
 - Lackluster results
- Strategy - many factors weigh in to determine effective strategies including:
 - Newness of the product category
 - Competitive presence
 - Credibility in the marketplace

Demand Types – 3 Categories

- New Concept
- New Paradigm
- Established Market

Demand Type Exercise



New Concept

- Product or service that solves a problem that few are solving
- Highly disruptive in nature!
- Requires a great deal of education/evangelizing
- Rarely has a budget line item –prospect may not know that they have a problem that needs solving (ex: invention of the wheel)
- Trying to create a problem – marketing efforts must align

New Paradigm

- Most common in B2B
- Positioned to solve existing problem more effectively than solutions currently being employed
- Create a solution to a problem the prospect already has and is solving in some manner
- Change the way they are doing business
 - Disruption
 - Skills
 - Process
 - Technology
 - Our job is to minimize this perceived disruption
 - Objections/fears in changing

New Paradigm – 3 Sub Types

- **Manual**
 - When a product replaces a manual process (no technology to disrupt, but you are disrupting the way people do their jobs)
 - Ex: automated accounting system replacing Excel spreadsheets
- **Bolted**
 - Attaching a new product or service onto an existing, to enhance or optimize performance. Focus on:
 - Ease of transition
 - ROI
 - Ex: plug ins – seamlessly attach
- **Replacement**
 - Highest level of disruption
 - Remove existing product and replacement
 - Depending upon the level of investment – the personal risk to the credibility of the decision maker and the recency of the purchase could be very difficult

Established Market

- Common to a marketplace
- All companies in that marketplace buy
 - Question is how much will they buy and who will they buy it from?
- Prospect knows about the problem
- Solution looks very similar to others in the marketplace
- ***Position yourself as the leader***
- Goal:
 - position yourself as the leader
 - differentiate on pinpointed aspects of features and functionality (price?)
 - Differentiate by wrapping additional services around the core product to enhance its value proposition.

Demand Spectrum - Review

DEMAND TYPE	KEY CHARACTERISTICS	KEY REQUIREMENT
New Concept	<ul style="list-style-type: none">• Disruptive Product/Service• No budgetary line item• Requires issue creation	MARKET LEADERSHIP
New Paradigm	<ul style="list-style-type: none">• Retools Existing Processes• Solves current problem better• Replaces current line item	PROCESS/SOLUTION CHANGE
Established Market	<ul style="list-style-type: none">• Necessary product/service• Highly contested market• Trying to steal market share	COMPETITIVE POSITIONING

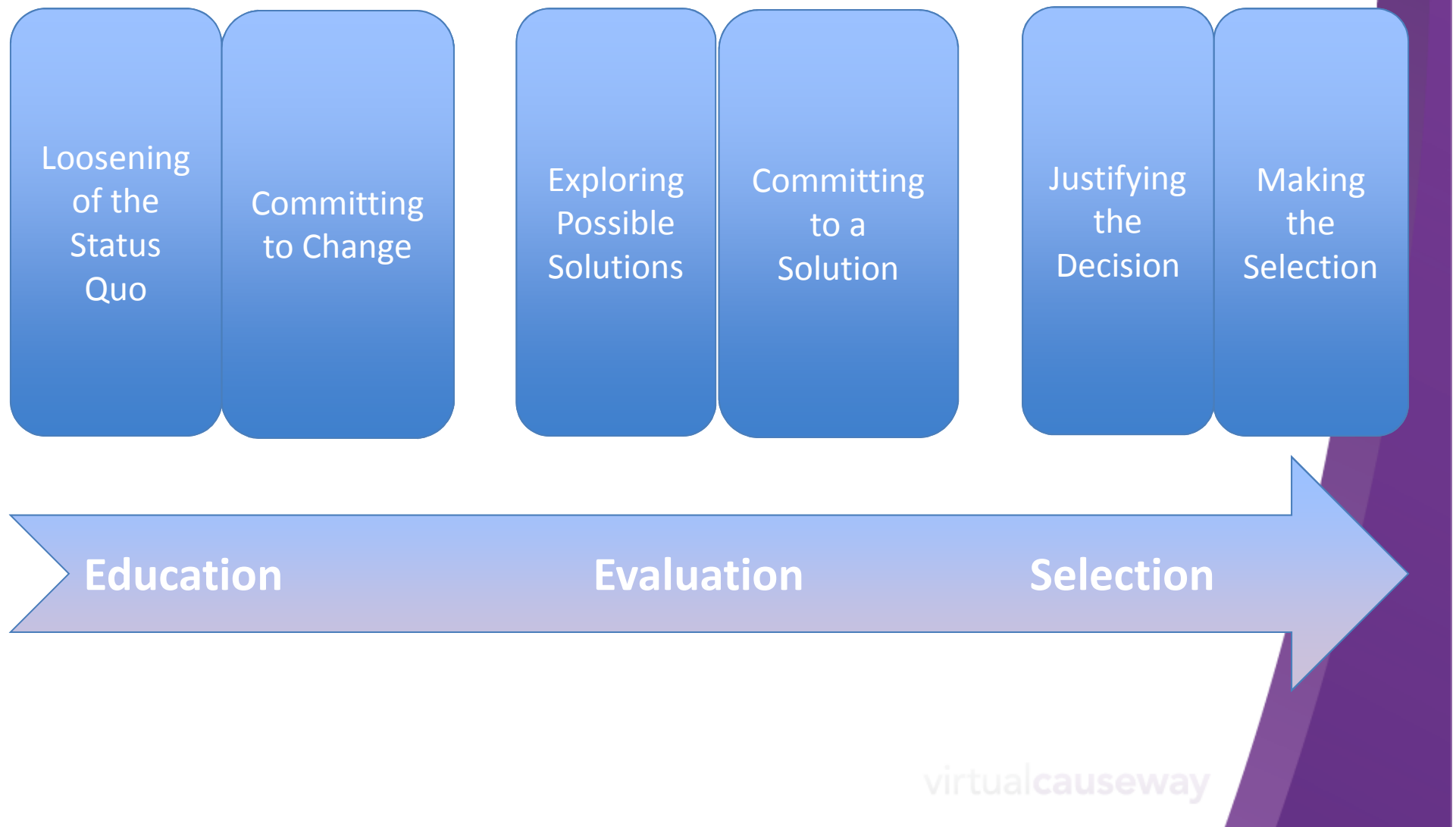
Demand Type – Final Thoughts

- Demand type is not static – must be re-reviewed periodically
- A product can change demand types as it matures
- Demand type can also change by market – by region or geo

CUSTOMER BUYING CYCLE

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Stages of the Customer Buying Cycle



Stages of the Customer Buying Cycle



Campaigns

Education

- Media Relations
- White Paper
- Webinar Series

Evaluation

- SE - PPC
- Trade show
- Email drip

Selection

- White paper
- Customer Success Story
- ROI Tools

Content

White Paper

Analyst Report

Use Cases

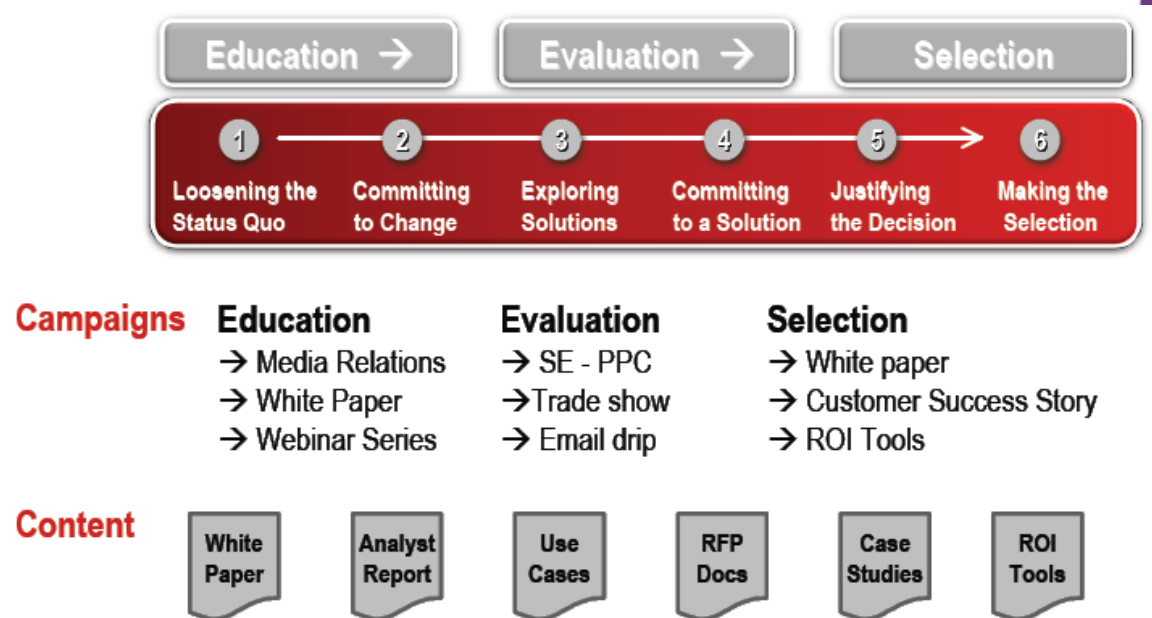
RFP Docs

Case Studies

ROI Tools

Demand Type Implications?

- New Concept
- New Paradigm
- Established Market



Demand Type Implications

- **New Concept Demand - Create a problem**
 - Buyers are learning about new problems
 - Are they important enough to solve near term
- **New Paradigm Buyers – already know a problem exists**
 - The process starts at stage 3
 - Re-exploring a solution to a problem they thought they solved previously
- **Established Market – buyer is not well aware of the problem**
 - Buying cycle begins at stage 5
- **Important to understand where the buying cycle begins and ends** – helps prevent delivering information the buyer already knows – this wastes time

DEMAND WATERFALL

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Getting Alignment: The Demand Waterfall

- Shared view between marketing and sales of the health of an organization's new-business-related activities
- Measure progression of leads through range of stages from cold to close
- Best-in-class B2B organizations have adopted SiriusDecisions' demand waterfall as the standard for measuring and optimizing their demand creation efforts

Getting Alignment: The Demand Waterfall



A raw response or hand-raiser to outbound or inbound marketing; relatively little is known about the prospect at this point.

A lead – by way of definition and service-level agreement – that is deemed ready for a receiving function to work.

A lead that has been formally accepted by the receiving function, which is then compelled to work the lead in a given timeframe.

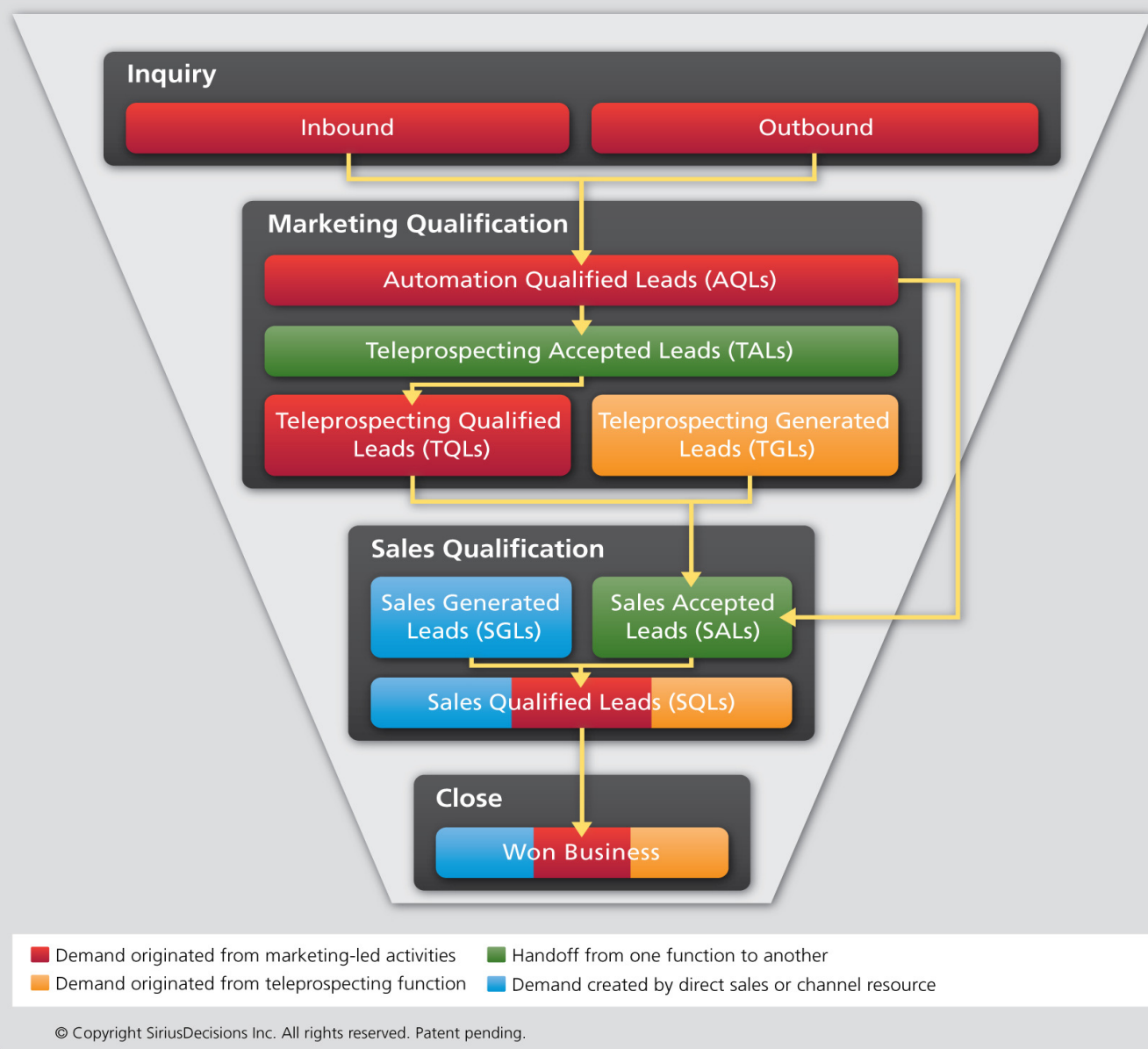
A lead that has evolved into an opportunity – complete with estimated dollar value and timeframe to close.

An opportunity that has come to fruition.

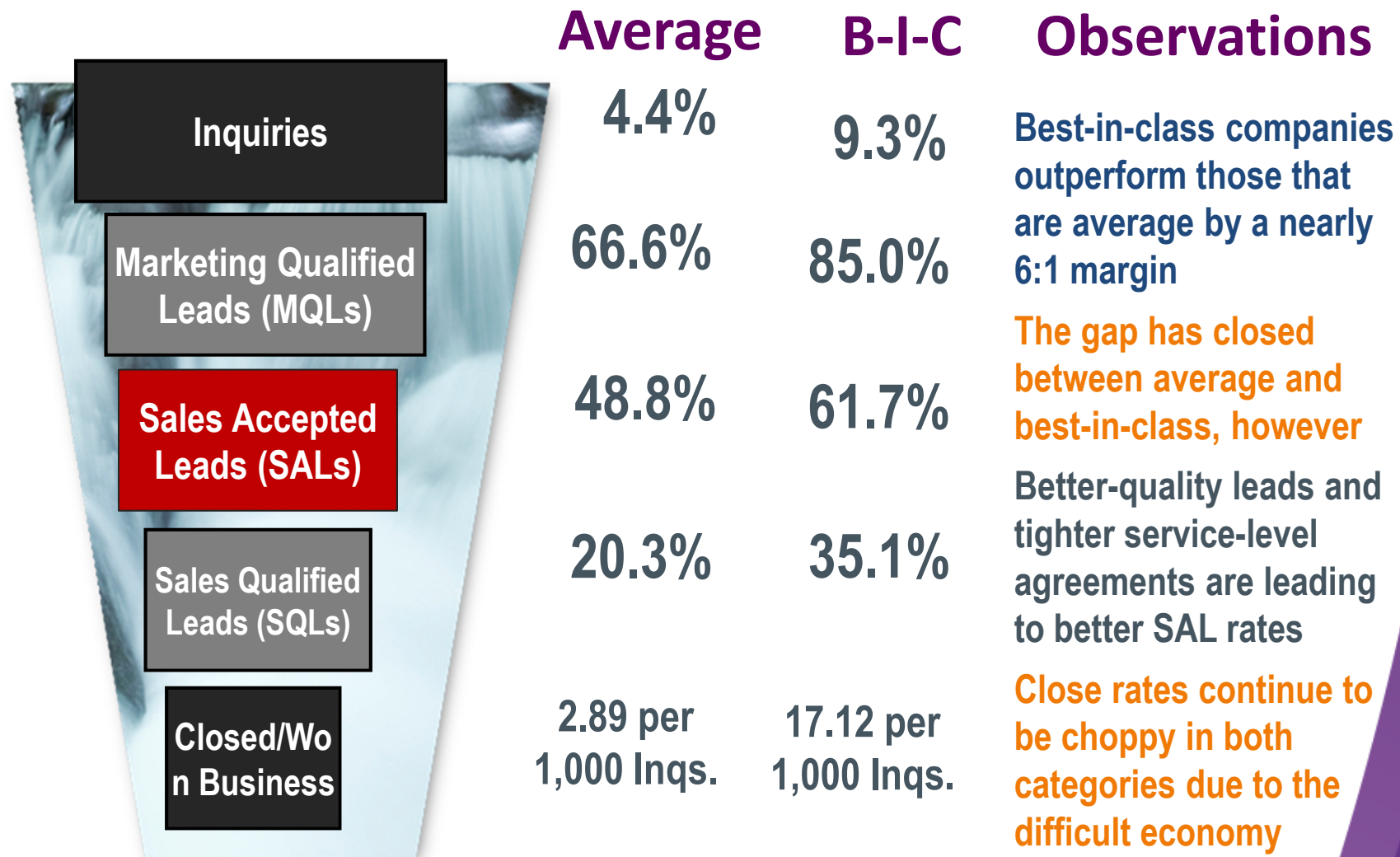
Task Families Surrounding the B2B Waterfall



The SiriusDecisions Demand Waterfall



The B2B Waterfall: Average vs. Best-in-Class



The B2B Waterfall: The Channel

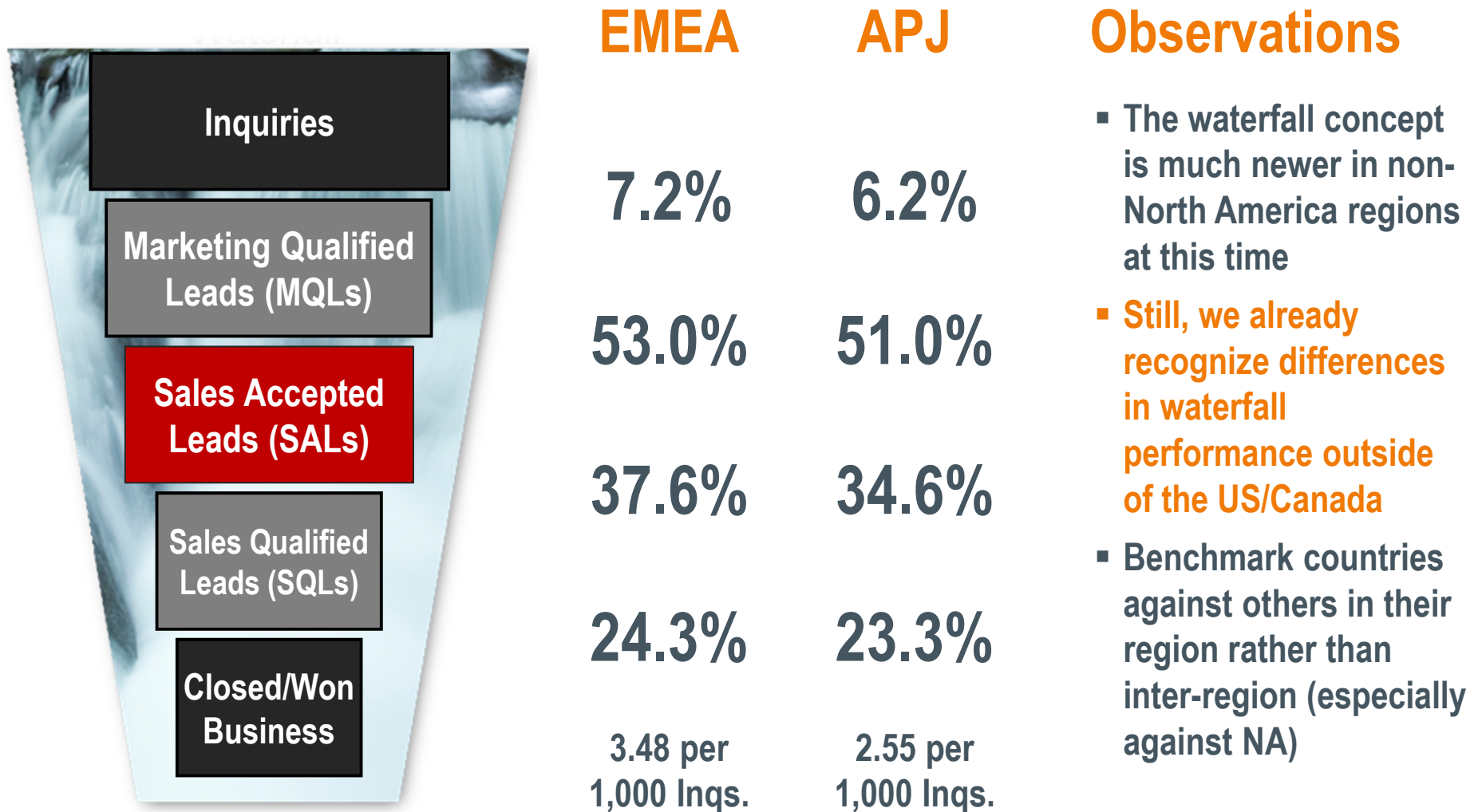


Channel

Observations

- Message mismatch between suppliers and partners continues to impact conversions at the waterfall top
- Once the handoff from MQL to SAL is complete, getting partners to update leads gets more difficult in a crowded channel where multiple CRM systems may exist
- Channel sales enablement is key to advancing deals at the waterfall bottom; B-I-C realize a 4:1 performance factor

The B2B Waterfall: Non-North America



Marketing and Sales Working Together



Next Steps

- Demand Type Exercise
 - Complete for each unique product/service or target market
 - What demand type are you? What are the characteristics?
 - How does demand type impact the buying cycle?
 - Discuss during our 1on1s
- 1 on 1s Next Week

Contact Info

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