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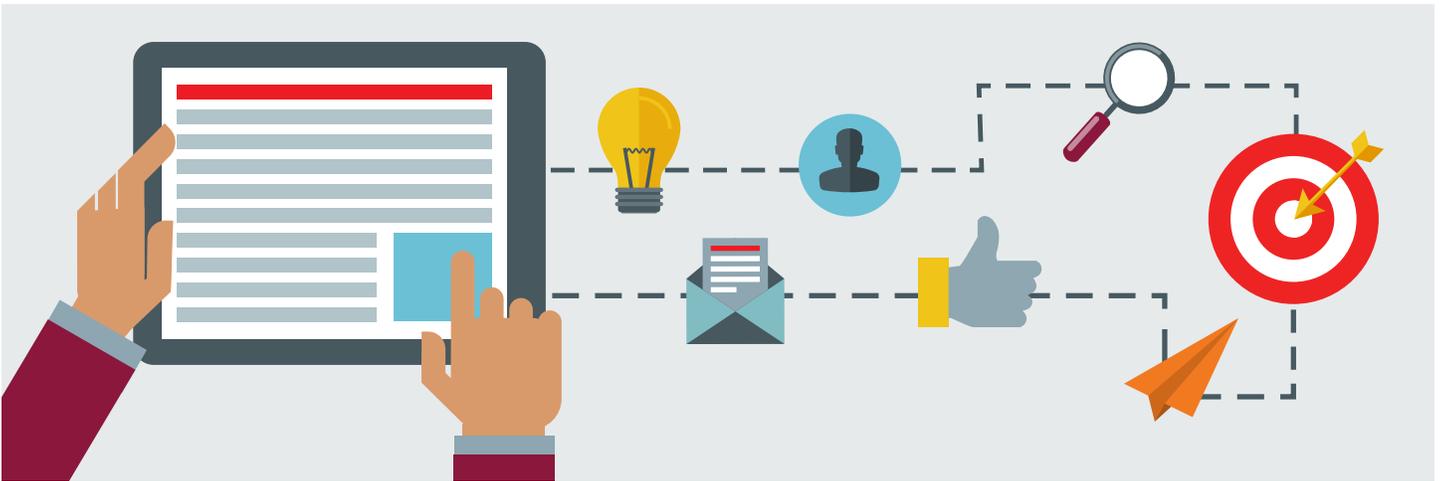
MARKETING  
CLOUD

# Lead Nurturing

GUIDE FOR MODERN MARKETERS



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## What Is Lead Nurturing?

At its core, lead nurturing is the process of cultivating leads that are not yet ready to buy. Successful lead nurturing anticipates the needs of the buyer based on who they are (using profile characteristics like title, role, industry, and so on) and where they are in the buying process. Nurturing keeps prospects engaged by providing the most relevant content (such as white papers, e-books and webinars) for their situation.

If done well, lead nurturing can build strong brand loyalty long before a prospect is ready to buy. By cultivating latent demand, companies can increase the conversion of unqualified leads to opportunities and drive more revenue. Nurturing also helps accelerate active opportunities by giving prospective buyers the information they need to make purchasing decisions.

Lead nurturing is about helping buyers along in their educational journey. Thus, it's most effective when triggered by prospect activity or behaviors. Lead management technologies are often used to automate such real-time marketing. This type of software makes it possible to track leads and automate content delivery while simultaneously collecting behavioral data and triggering corresponding actions.

### Understanding Lead Nurturing

Not every prospect is ready to buy now. In fact, according to research firm SiriusDecisions, of the 20 percent of leads that sales reps follow up on, 70 percent are not qualified. But it's a mistake to ignore those leads. After all, 80 percent of prospects that don't make the grade today will go on to buy from someone within the next 24 months. And when they do, you want your company to be at the top of their short list.

Once prospects are in the funnel, nurturing them with helpful, relevant content moves potential buyers through each stage of consideration at a natural pace until they're ready to be passed on to sales. Nurturing is the safety net for every stage of the buying cycle, helping ensure that no revenue opportunity is missed.

The most important objectives of a lead nurturing strategy, according to a December 2015 Ascend2 study, are to increase conversion rates and increase sales opportunities.

Lead nurturing typically focuses on converting contacts that are already in your database, not generating new inquiries. This improves the results of leads already gathered. Demand Gen Report found that nurtured leads produce a 20% increase in sales opportunities versus non-nurtured leads. Without lead nurturing, inquiries in your system are nothing more than hand-raisers—they've demonstrated interest, but require further profiling and cultivation before they get passed to sales. Lead nurturing is the process that makes that happen.

## Lead Nurturing Basics

Marketers often mistakenly think of lead nurturing as nothing more than email communication. You should instead think of it as a workflow, or series of communications, in which each step has a clear and concise objective—whether moving someone to the next stage or driving another desirable action.

Effective nurturing incorporates questions, which help you collect the information necessary to continually refine the relevance of your messages and move prospects through the buying cycle. Key elements of successful nurturing include:

### **Segmenting**

Building lasting relationships based on trust requires an extensive knowledge of your prospects. Only then can you provide them with the most relevant content, messaging, and assets. Nurturing paths should be based on unique customer profiles. Segmenting allows you to use title, role, industry, or sales stage to account for nuances in messaging. In this way, you can ensure that your content resonates with the recipients and reduce unsubscribes.

### **Customer Nurturing**

Nurturing isn't just for prospects. Even when you're bringing on a new customer, there are plenty of ways to nurture the relationship and drive adoption. Here, too, is an opportunity to segment based on user role. Is the customer a "champion," "power user," or "executive sponsor"? With this knowledge, you can funnel customers through onboarding programs tailored to their roles, making the transition smooth and seamless.

## Give to Get

At two points in the buying cycle, you have prime opportunities to gather information about a contact: when someone is new to your organization and when someone decides to become a customer (or transacts new business with you). During these times, you can increase the frequency and number of touches.

## Customer Focus

Use personalization whenever possible, calling the customer by name or mentioning the company name. Provide assets relevant to the customer's industry and ensure that every communication is matched to that buyer's need at that point in time. Each communication should be designed to answer a specific question. If you can't answer the question "What's in it for the buyer?"—the messaging probably isn't valuable in your nurturing program.

## Progressive Profiling

Requiring registration in exchange for an offer is called gating. However, because lead nurturing typically applies to contacts that already exist in your database, it's not necessary to put forms in front of every offer. Still, there are always gaps in contact records. Progressive profiling—which incrementally asks contacts for additional information—can help you build a rich, actionable data set on each prospect. With progressive profiling, each time a prospect clicks through on an offer, the system asks for just one or two pieces of information.

For example, one successful nurturing program first provides high-level thought leadership content with no registration requirement. Then, it offers a case study in exchange for information. And finally, it points prospects to a demo—which they can access without registering.

59% of B2B companies say creating relevant content is their biggest obstacle to lead nurturing success, according to a December 2015 Ascend2 study.

# Five Steps to Success

Before you define your lead nurturing program, you need to lay the groundwork. In so doing, you'll gain valuable insights and maximize revenue potential.

## 1 Understand Your Buyer

Prospects go through stages. You need to understand those stages and know what content assets best apply to each. Interview your customers—as well as those that did not buy from you—to define your ideal customer profile and develop buyer personas. What are your customer pain points? What purchase process do they follow? Why should they be interested in your product? Define what messages are most appropriate at each stage of the buying cycle and who is responsible for delivering each communication. Good alignment between marketing and sales will keep branding, voice, messaging, and experience consistent.

## 2 Pinpoint What Motivates Your Buyers

Analyze your past marketing campaigns and determine how they contributed to revenue. Look at the percentage of responses to campaigns and determine how many leads moved through all stages, and the messages and content offered at each stage.

### 3 Whiteboard the Ideal User Experience

Come up with a lead nurturing structure that best reflects your buying process, then troubleshoot to see where it might be difficult to put into practice. Consider personalizing the experience based on what you know about the prospective buyer. Then modify the flow of communication based on that person's behavior and engagement with your content. Start out with the final goal in mind and create a blueprint. Develop a structure that makes the most sense for your business and try to anticipate any roadblocks to implementing and make revisions. Once your plan is locked down, document it so that you can share it and so you'll remember why you made certain decisions.

### 4 Plan Your Lead Nurturing Process

Determine the campaign goal, message flow, content offers, communication channels (for example, perhaps email works better than the phone in one stage), and overall cadence based on previous interactions. All of this planning helps define the timing in your automated program. Be sure to think through all possible scenarios. If the objective is to send six emails and make three phone calls over eight weeks, what happens if you don't get the intended response? What happens once someone expires from a nurture program? How do you keep that prospect engaged, and who owns the relationship?

### 5 Automate Communications

An automated welcome campaign is a great place to get started. Set up automated communications to greet those who enter your database and start delivering educational information. What are the three most important things you want them to know? And what more do you want to know about them?

## Best Practices

If you're ready to join the industry leaders and begin a lead nurturing program, you can increase your chances of success by adopting some best practices.

### Start Simply

Focus on a specific segment of your database with a simple call to action. See how you perform against your goals and then make adjustments. Once you've done this, you can slowly add paths based on buyer persona or sales stage, and personalize content as you learn what does and does not work.

The key to all of this is a focus on incremental steps. For example, a welcome program for new leads can be a simple one-two-three touch program that provides new contacts with helpful information about the problems your product or service solves, the kinds of companies you help, and where to find additional information (for example, pointing them to your most popular downloads). Because you likely don't know much about the contact, keep your communications generic to start. For instance, send the same three pieces of information to everyone. Then, as contacts consume your content and spend time on your site,

75% of B2B marketers think that the use of marketing technology is extremely important to the success of their lead nurturing strategies.

factor in Digital Body Language (online behaviors that signal intent to businesses) to personalize future communications.

Contacts are much more likely to share information about themselves during the first 30 days they're engaged with you. If you can, automate touch points and use a layered form—or progressive profiling (a process of collecting prospect information incrementally and unobtrusively)—to gather information. As contacts engage and move further along the path, you can adjust this strategy.

Finally, don't overdesign your communications. A simple text-based email with a relevant signature (perhaps the CEO for the first email and sales rep on subsequent emails) can be just as effective as a fancy HTML email.

## Look for Opportunities to Automate

Identify a behavior trigger (such as welcome, shopping cart abandonment, or contract renewal) and enter contacts into an automated sequence where either an action or a date stamp triggers the process.

## Nurture by Stage

Using automation, it's easy to move prospects into nurturing paths based on changes in lead stage. Through CRM integration, sales reps can see where prospects are in the nurturing journey.

Build and send a progression of messages that leads prospects from awareness to education to validation. Contacts in the interest stage should be directed to a program that warms up leads, and information should be collected with each communication to ensure the relevance of future messages.

Once prospects are ready to evaluate their options, they should be placed in a nurturing program focused on education. As they spend more time at your site consuming your content, prospects should be added into an "accelerator program" designed to move them to the next stage in the buying cycle. If prospects haven't interacted with your company for some time, place them into a re-engagement program that helps determine whether they should remain in your database. Understand when people enter and exit the program. Because you're communicating with leads that are not in the active sales cycle, determine how you'll exclude them from lead nurturing once they enter the decision phase. Conversely, if they're not ready to buy, determine how to re-introduce them to your nurture program.

Once prospects are further down the funnel, carefully manage exclusions. You don't want to send automated emails that duplicate your sales rep efforts.

## Measure Effectiveness

Once you've rolled out your nurture program, monitor it for effectiveness by comparing your goals to the right metrics. By defining your program's purpose, you'll come to understand which key performance indicators (KPIs) you need to track.



The easiest place to start is by assessing engagement, such as email open and click through rates. If these numbers are low, tweak your messages, timing, and frequency until you see improvement.

If the goal is to move leads from one stage to the next, track and measure how many are making that jump and how long it takes on average. If the goal is to accelerate movement through the pipeline, measure the days it takes to progress through the sales cycle. Consistently analyze and continually adjust your program to account for changes in the market, customer behavior, and even your organization.

### CUSTOMER NURTURING

Once sales opportunities convert to customers, enter them in nurture programs that build loyalty and drive adoption.

- **New customer onboarding program.** You can likely automate some portion of the onboarding experience to drive consistency and increase adoption and usage of your product or service.
- **Product adoption program.** When an account dips in terms of trackable activities, like software logins, you can enter the customer into a low-usage nurture program. Those customers are then sent emails asking “Has anything changed in your organization? Has your power user moved on? Do you need more training?” You can then make them aware of resources to maintain previous activity levels.
- **Contract renewal program.** Ninety days from contract renewal, send an email saying, “Your contract renewal is coming up. Do you have any questions?” At 60 days, send an email saying, “Here’s your sales rep’s contact information and details about your renewal.” Thirty days out from renewal, send an email saying, “We’ll be contacting you soon about your contract.” This program warms up your customers so they aren’t surprised when the sales rep calls.

	Welcome Campaign	Education Campaign	Why Us Campaign	Accelerate Campaign	New Customer Onboarding	Customer Loyalty/Retention
GOAL	Welcome new subscribers	Get them ready to talk to sales	Overlay your solution on top of their need	Remove roadblocks, speed purchase decision	Welcome new customers	Retain and develop
DESCRIPTION	Introduce brand Reiterate subscription benefits Spell out next steps Opt-in to something else	Engage to further profile prospect Educate about value prop	Differentiate your brand from competitors Reiterate value prop Include relevant case studies, testimonials	Provide decision tools	Thank them Identify next steps	Reiterate purchase/relationship benefit Seek feedback Tips/tricks to get the most out of product

# Advanced Practices

If you're ready to take your lead nurturing to the next level, try adopting the following practices:

## **Build a truly integrated campaign.**

Tap into the powerful combination of human interaction and automation by integrating email, follow-up phone calls, and reminders triggered in your CRM system.

## **Combine generic and personalized communications.**

For example, assume leads are stuck in a certain phase of the cycle—there's been no activity for 60 days and no active buying opportunity—but you want to stay in touch. Send email every two weeks, perhaps about your services or about a certain topic. Intermingle this communication with automated emails that replicate the experience with the sales rep: "Are you ready to talk? We'd love to work with you because ... "

## **Integrate email and outbound teleprospecting.**

One medium is seldom enough to close a deal.

## **Re-engage lost deals/no decision.**

If you capture deals you've lost to the competition or that were disqualified during the sales process, automate a periodic touch base communication to check in. See if these leads remain satisfied with their vendor or are ready to re-engage with your company. For a personalized touch, send the email on behalf of the sales rep that managed the relationship.

## **Empower sales reps.**

As sales reps add names to your contact database, empower them to add those names to a nurturing program as well. This way, they feel confident that contacts are being warmed up instantly.



## Tools and Technologies

Tap into the following tools and technologies to streamline your path to lead nurturing success:

**Marketing Automation.** Automation empowers you to reproduce the intimacy of one-to-one communications on a much grander scale. With it, you can programmatically manage a dialogue with many people simultaneously—complete with natural pauses and behavioral signals necessary for a productive conversation. Automation also allows you to monitor a prospect’s activity and trigger the most appropriate response.

**Cloud Connectors.** If you’re nurturing an individual in a B2B account, use marketing automation and connectors (plug-ins that allow other marketing applications—such as webinar management tools and social media monitoring systems—to integrate into your marketing automation platform). In this way you can improve efficiency and gather information about others who may be interested in your offering.

Other things you can do to improve lead nurturing include getting information (such as the prospect organization’s technology solution) and appending it to your record, and pushing tasks through CRM to remind sales to call. For example, alert a sales rep when someone reaches a certain stage or reads a certain asset, and delegate them to click to trigger a touch or correspondence.

Once a recipient opens your email, that action could trigger a voicemail or SMS message from your company. The key here is to remember that email is only one method of communication. Mobile, voice, and social media are all compelling options as well.

## What's Next?

The concepts, best practices, and tools covered in this guide will help you begin improving lead nurturing today. But you still need to be prepared for what's to come.

- **Delivering customized experience via your website or social media.** Marketers need to nurture people in the channels they prefer, delivering the same types of content and information they'd typically deliver via automated emails. These channels include social media and the company's website.
- **Catering to how people buy.** Using known information about buyer behavior, marketers will start to predict whether different combinations or types of communications will influence response.
- **Impacting the conversation by including more data sources.** The more you know, the more relevant your conversation will be. This in turn means you will have a better chance of converting your prospect to the next stage. Going forward, marketers will start aggregating insights from various sources—including CRM, LinkedIn, and marketing automation systems—to elevate the level of conversation.
- **Automating the relationship throughout the buying cycle.** As marketers adopt marketing automation, CRM, and granular measurements—and grow more adept at tracking buying-cycle stages—they will become better able to target the right message to the right person at all stages of the buying cycle.
- **Better integrating social media and demand generation.** Marketers can reward people for engagement in social channels. For example, B2B marketers could add prospects to a VIP program once they've reached a certain threshold of engagement.

## Conclusion

With the vast majority of leads failing to convert to sales, companies can't afford to simply abandon prospects when they fail to become buyers within a designated time frame. Particularly in today's buyer-driven marketplace, where they are empowered to make informed business decisions more quickly than ever, marketers must cultivate a role in the discussion in a way that's meaningful to their audiences.

By nurturing these leads—or anticipating prospect needs and providing them with the right information based on who they are and where they are in the buying process—marketers can improve their processes. By implementing a formal strategy for lead nurturing, instituting nurturing programs, and following the best practices outlined here, you can begin reaping the benefits of lead nurturing today.

## About Oracle Marketing Cloud

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