



## **Serving! One Customer at a Time** **How to Win with Marketing Automation**

Attract, engage, serve—that's how marketing automation can help you win more business. No matter how many customers you have, modern software tools give you the chance to serve like a small business and sell like a big one. Serve individuals *and* sell big? That's not just winning, it's win-win! This white paper discusses a marketing automation strategy for getting to know prospective customers and then sending timely, personalized messages that move them to buy.

## Introduction

*The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself.*

- Peter Drucker  
Marketing Consultant<sup>1</sup>

Most marketing executives can only dream of interacting with their customers the way a small business owner does. A small business provides one-on-one service, and is therefore able to learn about customers and sell to individuals. Larger companies just haven't been able to replicate this level of personalized attention.

Instead, they've relied on clever mass media campaigns targeted at broad demographic segments, pushing messages via television, radio, print, direct mail, billboards, and more recently, the Internet. And though the Internet has revolutionized information access and media consumption, marketing techniques have remained largely unchanged since being transposed into cyberspace. As a result, companies have been slow in responding to a fundamental shift in customer behaviour.

*Within the customer buying process, the online channel is becoming highly influential for purchasing decisions. Marketers must plan and execute e-marketing strategies and technologies along the customer buying process to lead customers toward a purchase.*

- Adam Sarner  
Gartner Inc.<sup>2</sup>

Table 1: Mass Marketing Techniques Go Online

Traditional marketing	"Traditional" online marketing
Printed brochures	Static <i>brochureware</i> websites
Mass direct mail	Unsegmented, unsolicited e-mail
Desire to win % of eyeballs	Desire to increase website hits
Marketing messages interrupt content	<ul style="list-style-type: none"> <li>• Annoying pop-ups interrupt content</li> <li>• Ads run beside content</li> </ul>

Reliable search technology coupled with the ubiquity of digital content has irrevocably changed the buying process for huge numbers of people. Now, customers extensively research products online before entering a store or speaking to a sales rep. They routinely use the Internet to:

- Research industry news
- Learn about new solutions
- Understand why they need a new solution
- Find criteria for product evaluation
- Find product information
- Read product reviews
- Seek advice
- Compare prices

Naturally, this has disrupted the typical flow of information through mass media and traditional sales engagements. Therefore, to engage online customers in a meaningful way, companies need to provide them with targeted information that matches their level of engagement and their stage in the buying cycle.

*The power of the always-on consumer is also the power of the data-smart marketer. As the shift toward more time online continues, having a strategy driven by the data of consumer behaviour across time and across channels is the way in which companies will succeed.*

- Burby and Atchison  
Actionable Web Analytics<sup>3</sup>



*...we have gone from being exposed to about 500 advertisements a day back in the 1970's, to as many as 5,000 a day in today's market.*

- Jay Walker-Smith  
President, Yankelovich<sup>4</sup>

*For most of history, our lives were defined by scarcity. Today, the defining feature of social, economic, and cultural life in much of the world is abundance.*

- Daniel Pink  
A Whole New Mind<sup>5</sup>

*In just a few years, unsolicited commercial e-mail — now generally known as “spam” — has gone from being a minor nuisance to becoming a significant social and economic issue... and threatens the growth and acceptance of legitimate e-commerce.*

- Industry Canada  
An Anti-Spam Action Plan for Canada<sup>6</sup>

With the sales team relegated to late-stage discussions, the burden on marketers increases substantially. Consequently, marketers must find new ways to learn about customers and deliver effective messaging. Although this mandate may seem daunting, it's actually an unprecedented opportunity to directly connect with customers on a personal level.

Companies often underestimate the mountain of customer data that's now available to them. Indeed, the modern digital universe includes software technology that can observe website visitors, analyze their behaviour, generate leads, and establish direct, personalized communication with good prospects. The result: companies no longer have to be small to know their customers.

This white paper describes a comprehensive, cost-effective, and achievable marketing automation strategy for identifying likely customers and engaging them with individually tailored content and messaging.

### 3 Reasons Why Mass Marketing No Longer Works

Online mass marketing tactics now yield diminishing returns because:

#### 1. Customers are empowered.

- They're bombarded with countless marketing messages every day and instinctively tune out the noise.
- They expect information to be *immediately* available via search engines and social media.
- They prefer referrals about good products and services from friends, family, colleagues, and other trusted contacts.
- They use online resources to compare marketing claims with actual product performance.
- They've learned to ignore online banner ads, mass e-mails, and other mass advertising.

#### 2. Customers inhabit a culture of abundance, not scarcity.

- They have access to an endless array of products and services.
- They are preoccupied with choice, therefore they want information not hype.

#### 3. Customers regard e-mail differently now.

- They view unsolicited e-mail messages with hostility, which makes this marketing tactic counter-productive for a marketer.
- They hit the *Spam* button when they receive an unwanted marketing e-mail, telling spam filters to block future e-mails from the same source.
- They use multiple e-mail addresses to protect their core e-mail account from mass e-mails.



## A New Marketing Ecosystem

A comprehensive strategy for one-to-one marketing automation includes three principal elements:

- Search/social media—*Attract!*
- Website—*Engage!*
- Direct communication—*Serve!*

By gradually integrating these elements into an overall marketing ecosystem, your company can “serve” customers with content and messages tailored to each individual.

*Why is one-to-one marketing so crucial? Because your customers expect you to understand their needs and deliver information when — and more recently where — they want it.*

- Joel Book  
2008 E-mail  
Marketing Trends<sup>7</sup>

*The ongoing shift in marketing focus from offline to online is only the first step... Many businesses are already treating the two channels as points along a continuum instead of discrete entities and in doing so are elevating the stakes for everyone in their industry.*

- Burby and Atchison  
Actionable Web Analytics<sup>8</sup>

*Customer experience is the new advertising department.*

- Max Kalehoff  
VP, Marketing  
Clickable<sup>9</sup>



Figure 1: One-to-One Marketing Automation—A New Ecosystem

The strategy breaks down into a series of simple steps, making it easier for you to implement right away. You start by *attracting* visitors to your website, which *engages* them with useful content. By observing and assessing their online behaviour, tracking their interactions, and determining where they are in the buying process, your automated marketing system then *serves* prospective customers with appropriate messaging on several digital channels. The goal: move leads down the (sales) funnel until they're ready to be handed off to the sales department. As you can see, the strategy is not complicated—you just need the right tools and tactics to make it happen.



## Tactics

To successfully pursue a one-to-one marketing automation strategy—a strategy that integrates search/social media, website, and direct communication into an overall ecosystem—you should employ these tactics:

### 1. Establish online visibility

Because the customer controls the online relationship, you must ensure that your company can be found when its target demographic is looking for information. To establish online visibility:

- Employ SEO and PPC/PPA so that customers find your website through keyword searches on popular search engines like Google and Bing.
- Use social media to go where the customers are. Get mentioned in blogs and podcasts. Establish a presence on social networking sites like Twitter, YouTube, and Facebook. Include *Share* buttons on the website to make it easy for customers to distribute content.

### 2. Serve customers with content

Regardless of how your target demographic arrives at the website—whether they click on search engine results or follow a URL in a friend’s e-mail—you only have a few seconds to capture their attention. Don’t disappoint them with vague content, annoying intro videos, and poor usability. Your website must serve customers with the information they are expecting to see. Otherwise, they will quickly “bounce” and you will not get their business.

Very important: your website needs to do more than simply present product information. It must serve customers with relevant content and clear calls to action that correspond to their stage in the buying cycle. Although the exact definition of each stage varies from company to company, the general buying cycle involves:

- Learning about industry trends and relevant solutions
- Acknowledging an opportunity or issue
- Deciding to look for a product/service
- Finding the criteria to evaluate a solution
- Investigating and measuring products/services (sales might get involved at this point)
- Selecting a vendor (sales is typically involved here)

### 3. Track customer interactions

To move from mass marketing to one-to-one marketing, you must carefully track customer interactions. For starters, you must observe customer behaviour on your website, just as sales reps observe customers in face-to-face meetings.

Key website metrics include:

- Referring website
- Search terms used, if arriving from a search engine

*If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.*

- Jeff Bezos  
Founder, Amazon<sup>10</sup>

*It's better to think of social media tools as amplifying customer opinion rather than improving it.*

- Joshua Porter  
Author<sup>11</sup>

*Never let your campaigns write checks that your website can't cash.*

- Avinash Kaushik  
Analytics Evangelist  
Google<sup>12</sup>



*The distance between the business and the customer, both physically and emotionally, has been shortened to the duration of a single click.*

- Burby and Atchison  
Actionable Web Analytics<sup>13</sup>

*Web analytics is a fire extinguisher. Your website is on fire and you're burning cash.*

- Jim Sterne  
2007 eMetrics Summit  
Washington D.C.<sup>14</sup>

*The ability to engage in Web analytics lets you harness the power of consumer choices and use it to predict and direct future behaviour.*

- Burby and Atchison  
Actionable Web Analytics<sup>15</sup>

- Pages visited, with specific pages tagged
- Time spent on each page
- Total time spent on the website
- Links clicked
- Number and frequency of website visits
- Material downloaded

At some point in the buying cycle, you should include a conversion event that changes anonymous website visitors into genuine leads. An event can be as simple as a newsletter subscription form that solicits e-mail addresses. Your automated marketing system should automatically append the form information *and* the type of conversion event to the contact's record. (The type of conversion event is an indication of the contact's level of engagement with your company—crucial information.)

Remember, when you offer content in exchange for contact information, be sure to request more customer information for higher-value content. Not only is this a convenient way of "pricing" your content, but it also filters out visitors who are either at earlier stages in the buying cycle or at lower levels of engagement with your company.

#### 4. Analyze data and generate lead scores

When a conversion event happens, you need to collect two kinds of information: explicit and implicit.

Explicit information is what a contact provides when filling out a conversion form. Ideally, you already have this contact in your database, which means you can simply add the form information to the existing contact record. (You can put a name to the "face".) Explicit information can include:

- Name
- Job title
- Company
- Stated needs

Implicit information, usually more important but often overlooked, includes the background analytic data that shows the contact's level of engagement. For example, Web analytics, with metrics like pages visited and time spent, and interaction history, which includes both online and offline activities like downloads, customer inquiries, and interactions at conferences. Implicit information is what really tells you if a contact is interested in your message.

When you have collected both explicit and implicit information, you can use it to calculate a *lead score* for each contact. A lead score is a quantitative measure of a contact's place in the buying cycle. Because lead scoring is based on subjective criteria, each company must develop its own algorithm for accurately evaluating leads.

Lead scoring calculations typically include factors such as the correlation between types of customer interactions and actual purchases. For example, if contacts that view a product specifications page are three



times more likely to purchase the item, your lead scores should reflect this probability.

## 5. Send targeted messages

Now that you have attracted visitors to your website, impressed them with your relevant content, and compelled them to subscribe, it's time to send out targeted information. By sending this information, you maintain your relationship with contacts and nurture them toward a purchase—ideally, a repeat order!

Be sure to design a range of targeted messages that engage customers at every stage of the buying process. Serve, don't sell—but not too often. According to Marketing Sherpa, 49% of people regard e-mails that come too frequently from a company they do business with as spam.<sup>17</sup> The goal of these messages is to help each prospective customer through the buying process, and eventually close a sale. Not surprisingly, this type of segment-based e-mail campaign can have an "opens" rate that is up to 12 times higher than a mass campaign, according to another Marketing Sherpa survey.<sup>18</sup>

To achieve one-to-one interactions, marketers must send two kinds of targeted e-mails: segmented blasts and event-based, or triggered, e-mails.

Segmented blasts include:

- eNewsletters with customized content
- Invitations to attend relevant webinars
- Invitations to download white papers or case studies that are relevant to their stage in the buying cycle
- Invitations to local store openings
- Product release notifications
- Discounts and promotional offers to relevant products

Event-based, or triggered, e-mails include:

- Confirmation e-mails after registration
- Follow-up content reinforcing a value proposition or introducing content at the next stage in the buying process
- Offers based on abandoned shopping carts
- Discounts on recently viewed products
- Content to reach out to "stale" contacts
- Customer satisfaction surveys after purchases
- Introduction e-mails after *Share* (content) buttons generate contacts

## 6. Hand off to sales

Every time a contact interacts with your company, the interaction should contribute to a lead score. When the lead score indicates a contact is ready to buy, pass the lead to the sales team and then track which leads go on to purchase your product or service.

*A critical key in breaking through the noise and delivering the right message to the right customer is consistency... provide customers with organized, customized, relevant and consistent communications.*

- Hal Hopson  
Cutting Through the Noise<sup>16</sup>

*From demographic data to purchase behaviour, automation of marketing activities takes the manual burden off the marketer, ensuring you can use the data to drive highly-targeted, relevant messages.*

- Joel Book  
Keys to Subscriber-Centric Marketing<sup>19</sup>

*Online channel usage, as part or all [of] the buying process, continues to grow, making e-marketing activity a strong influencer of purchasing decisions.*

- Adam Sarner  
Gartner Inc.<sup>20</sup>



You should maintain a complete record in the CRM system for each contact—including an interaction history and a lead score—and make the records available to salespeople and marketers alike. Each contact record should include complete information on marketing, sales, and re-marketing activities.

## Key Benefits

The benefits of a comprehensive one-to-one marketing strategy include:

- **Increased sales**  
Close more deals because leads are adequately nurtured before being turned over to Sales.
- **Align Sales and Marketing**  
Get your sales and marketing teams on the same page by giving them end-to-end visibility of customer relationships. Seamlessly hand off leads by having Sales and Marketing buy in to a standard process.
- **Improved customer satisfaction**  
Satisfy customers by catering to their individual needs.
- **Higher marketing ROI**  
Get more out of website content, analysis tools, SEO/PPC initiatives, e-mail communication, and CRM systems.
- **Better metrics to calculate marketing ROI**  
Use quantitative results to support marketing budget proposals.
- **Enhanced reputation**  
Become a category leader both for what you sell *and* how you sell it.

## Innovate...Integrate...Communicate

One-to-one marketing automation is a technology solution that simultaneously addresses a new technology problem—engaging online customers—and an old marketing problem—engaging customers in a meaningful way. It's an analytic, process-based approach that employs sophisticated software tools to track customers, analyze their online/offline behaviour, and engage them one-on-one with targeted information.

A prerequisite to any automated marketing system is great software that's tailored to the way your company operates. A second prerequisite is talented marketers with the creativity to produce engaging content and the analytical skill to "market by number". With great people and the right software tools, you can boost the bottom line by serving one customer at a time—all the time.

*In Accenture's survey of marketing executives in the United States and the United Kingdom, 68 percent reported difficulty measuring the ROI of their marketing campaigns. This was determined to be the most severe challenge faced by marketers.*

- James Lenskold  
Marketing ROI<sup>21</sup>

*Absence of e-marketing functionality within the buying process can damage the customer experience and undermine the competitiveness of a corporation.*

- Adam Sarner  
Gartner Inc.<sup>22</sup>



## References

1. Drucker, Peter. *Management: Tasks, Responsibilities, Practices*. (New York: Harper and Row, 1973).
2. Sarner, Adam. "E-Marketing Improves the Customer's Buying Process", Gartner Inc., Stamford, Connecticut, 2007.
3. Burby, Jason, and Shane Atchison. *Actionable Web Analytics: Using Data to Make Smart Business Decisions*. (Indianapolis, Indiana: Wiley, 2007), 8.
4. Hopson, Hal. "Cutting Through the Noise: Delivering the Right Message to the Right Customer", Pitney Bowes Inc., Stamford, Connecticut, 2008.
5. Pink, Daniel H. *A Whole New Mind: Why Right-Brainers Will Rule the Future*. (New York: Penguin, 2006), 32.
6. "An Anti-Spam Action Plan for Canada", Industry Canada, May, 2004.
7. Book, Joel. "2008 Email Marketing Trends", ExactTarget, Indianapolis, Indiana, 2007.
8. Burby, Jason, and Shane Atchison. *Actionable Web Analytics*, 10.
9. Kalehoff, Max. "The Biggest Opportunities For Brands To Leverage Interactive Marketing!", www.mediapost.com, April 11, 2008.
10. Bezos, Jeff. "Online Extra: Jeff Bezos on Word-of-Mouth Power", Business Week, www.businessweek.com, August 2, 2004.
11. Porter, Joshua. "The Problem with Social Media Marketing", bokardo.com, February 17, 2008.
12. Kaushik, Avinash. "Six Tips For Improving High Bounce/Low Conversion Web Pages", www.kaushik.net, August 25, 2009.
13. Burby, Jason, and Shane Atchison. *Actionable Web Analytics*, 4.
14. Sterne, Jim. Speech excerpt, 2007 eMetrics Summit, Washington D.C.
15. Burby, Jason, and Shane Atchison. *Actionable Web Analytics*, 7.
16. Hopson, Hal. "Cutting Through the Noise: Delivering the Right Message to the Right Customer".
17. Woods, Steven. *Digital Body Language*. (Danville, California: New Year Publishing, 2009), 116.
18. Woods, Steven. *Digital Body Language*, 135.
19. Book, Joel. "SUBSCRIBERS RULE! in Action: Keys to Subscriber-Centric Marketing", ExactTarget, Indianapolis, Indiana, 2008.
20. Sarner, Adam. "E-Marketing Improves the Customer's Buying Process".
21. Lenskold, James D. *Marketing ROI: the path to campaign, customer, and corporate profitability*. (New York: McGraw-Hill, 2003), 6.
22. Sarner, Adam. "E-Marketing Improves the Customer's Buying Process".





**Architech Solutions** is a Toronto-based technology consulting and software development firm. We design and build powerful, user-centred systems that work. We're agile, disciplined, and passionate about delivering for our clients.

**Architech Solutions**  
3 Church Street  
Suite 602  
Toronto, Ontario  
M5E 1M2

**Phone:** (416) 607-5618  
**Fax:** (416) 352-1768

**To book a free on-site Discovery Workshop led by our team of consultants, e-mail [info@architech.ca](mailto:info@architech.ca) or visit us at [www.architech.ca](http://www.architech.ca)**

