

## Defining Sales Campaign Automation

### How e-mail, the Killer App, is best applied to marketing

#### Summary:

Companies today are steadily adopting strategies and technologies to reach prospects, customers, and partners through electronic communications. The use of e-mail as a marketing tool has seen prolific growth over the past two years. In its 2002 e-mail Marketing study, [e-Dialog](#) reports that 55% of US marketers plan to increase the percent of their budget allotted to e-mail marketing this year. Just under one-half (48%) report that e-mail is a "mainstream" marketing vehicle for their company. Combine that with banner advertising, content-rich websites, and other direct response tactics, and marketers have a well-rounded arsenal to divide and conquer the market. This arsenal has become distinguished from other advertising and direct response programs, and referred to as eMarketing.

The market has responded with a plethora of products and services to meet this growing demand for eMarketing services. Falling under the broadest umbrella of CRM, new breeds of eMarketing vendors have emerged, carving out specialties such as Enterprise Marketing Management, Marketing Automation, and e-mail Marketing Solutions provider –all leveraging *The Killer App* – e-mail. Primarily, these vendors offer software and/or services for the planning, execution, and analysis of eMarketing campaigns.

So what is Sales Campaigning and how is it different than eMarketing Campaigning? First a brief review the definitions of each: *Marketing* can be defined as *the act or process of buying or selling in a market*. *Sales*, on the other hand may be defined as *the exchange of goods or services for an*

*amount of money or its equivalent.* To an outsider, these two functions are complimentary. Right? Why then, if you ask most any VP of Sales if he or she believes that the sales organization is in 'alignment' with marketing, you get some fairly inconsistent answers? The reality is that in most sales and marketing organizations, disconnects still exist in missions, objectives, goals, and day to day activities. Part of the problem lies in the expectations each organization has for marketing. By today's standards, the Marketing organization celebrates measures of success like the "click through", the "open rate", and the "unique visitor". The Sales organization, however, covets just one - leads that generate revenue. And thus the divide between the two. One's overwhelming success rarely translates into results for the other (when was the last time you read an eMarketing case study that mentioned direct revenue impact?). The spin that Marketing organizations (and Vendors) have begun to place on marketing campaigning is that of 'lead generation'. Software vendors have attempted to position in this direction as well - to work with both sales and marketing organizations in tandem in an effort to reunite the two pillars of revenue.

Is this the right approach? Will this strategy work? Are current eMarketing vendors covering all the bases?

This white paper seeks to distinguish between that which is Marketing and that which is Sales in terms of eMarketing direct response campaigns. Furthermore, it introduces and defines a new category of solutions, Sales Campaign Automation, and explores the opportunity to automate the sales qualification process for Internet-originated leads through solutions like eMaximation.

## Sales and Marketing Redefined

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First let us define Marketing and Sales a bit differently. What if we were to define Marketing as 1) the processes by which Potential Need for the firm's goods or services is identified and 2) the activities undertaken to create Demand for the firm's ability to fulfill that need. And we define Sales as 1) the process by which Need is confirmed and 2) the activities undertaken to respond to Demand with the right goods or services to meet that confirmed Need. Is this perspective so different? Perhaps not in theory, but certainly in practice.

This more realistic perspective of current e-mail marketing uses depicts the relationship between Sales and Marketing more accurately. eMarketing has become the process (segmentation, testing, campaigning, analysis) of identifying potential need and creating demand. Sales has fulfilled the role of confirming need and responding to demand.

Take note that we have introduced the terms “Potential Need”, “Confirmation of Need”, and “Demand Response” into the eMarketing paradigm. While these may be addressed, to some degree, in the marketing process, most fall under the requirement of selling. For example, if we start with the *right* segment for our product, find the *right* set of data for marketing (i.e. potential buyers), and begin the process of campaigning to that data, we cannot expect to *fully* confirm, *fully* qualify, and *fully* respond to demand if in fact it is created through our marketing campaign. Nonetheless, marketing campaigning has its own merits and should not be abandoned. Namely, e-mail marketing affords the ability to test market quickly and inexpensively, create prospect dialogue, and engage in brand building. All of which are necessary. But are we fully utilizing the power of *the* Killer App in this manner? Can we accomplish more? This is where the majority of e-mail marketing campaigning falls down. Segments are identified, lists are acquired, testing is completed, and campaigning begins. Then by a patchwork of open rates, click-throughs, and user sessions marketers go about the task of assessing results. And most of the time, we are satisfied with what we see.

## So What is Sales Campaigning?

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So what is Sales Campaigning? And how does it differ from Marketing Campaigning? Put simply, sales campaigning addresses the transition from the eMarketing process to the sales process, picking up where marketing leaves off. The two key aspects of this transition are 1) Potential Need identification and 2) Demand Creation. Once established, the sales process must begin as quickly and efficiently as possible. Even the firms that understand this transition usually get it wrong. For example, when was the last time you opted into receive general information and got a call from a telemarketer from “Company A” which offers products in your opt-in category? Although your potential need may have been identified and potential demand created, it clearly was not confirmed and responded to in the most appropriate manner. Human resources were applied much too early in the sales process...wasting their time, and yours. And do you think you’ll opt-out of that list at first opportunity? Perhaps. And ‘perhaps’ is a chance that few marketers can afford to take.

So what are the alternatives?

A review of Sales Campaigning can provide some insight into a more appropriate way to make the transition from the Marketing process to the Sales process. First let’s set the stage for cases where Sales Campaigning is most applicable and where it is not. With a new understanding of Potential Need and Confirmed Need, and Demand Creation and Demand Response, we can better identify where Sales Campaigning is more likely to be effective.

## Sales Campaigning is most effective when:

- Potential demand has been created
- Potential need has been identified
- The lead is identified earlier in the marketing process rather than later
- The lead originated on the Internet
- There is some level of qualification required to purchase the firm's product or service (no simple shopping carts)
- The eventual sale of the product or service requires at least some level of human resource interaction
- At least some portion of the application of human resources may be automated

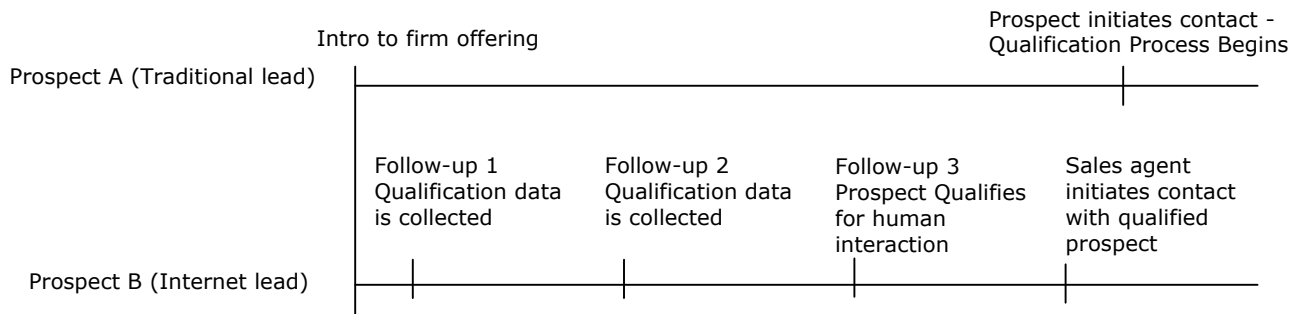
## Sales Campaigning is least effective when:

- Potential demand had not yet been created (i.e. untested list, SPAM, poor list)
- Potential need has not yet been identified
- The lead enters Sales Campaigning at a point where Demand Response is not justified
- There is no level of qualification required to purchase the firm's products or services
- The sale can be completely automated with no human resource application

At the outset, we can see that Sales Campaigning is more effective when applied to products or services that 1) have a higher level of qualification process and that 2) require human resources to support and finalize the transaction. Therefore, we can conclude that selling GAP Jeans, for example, which has few requirements (you must have \$40 to spend and know your size) may not be the best application for Sales Campaigning. Conversely, if you are in the market for a 7/1 ARM (and do not understand what this loan actually is), have marginal credit, need to borrow \$250,000.00, and live in the state of Maine, these requirements are better suited to Sales Campaigning. In this scenario, the most effective marketing campaigns may successfully create demand for a lender, identify you as being in need of *some* type of mortgage, identify you as a resident in the state of Maine, and learn that you looking at homes that cost between \$225,000 and \$300,000. At that point, marketers might call you a qualified candidate for the 7/1 ARM mortgage...but are you *really*? And are you really ready for a call from the mortgage broker that just received your 'opt-in' information?

Where eMarketing falls down, Sales Campaigning attempts to better qualify Potential Need and respond more appropriately to potential demand. Rather than relying simply on open rates, click-throughs, and marginal amounts of data, Sales Campaigning goes several steps further in the qualification process to deliver prospects with confirmed need and qualified buying potential.

Consider two distinct tracks that prospective customers can travel to reach qualification, and an eventual purchase (see Illustration). These are 1) Prospects that respond to traditional marketing, and 2) Prospects that respond to Interactive marketing.



When prospects engage in research activities online, they may wish to remain “disconnected” from a specific product from a specific brand, thereby shopping in anonymity. When marketing has done its job and the prospect opts-in to a particular product or brand, sales campaigning may begin. Conversely, when prospects connect to brands through traditional marketing, often the initial contact does not occur until much later in the marketing process (multiple media exposures), and the response may be done in several ways (phone or walk-in). The gaps in process between the two prospects impacts several factors in the sales and marketing process. The 1-to-1 message received by the on-line prospect is better understood, more controlled, and more precisely measured for effectiveness. In addition, the duration of the marketing process is shortened so that sales qualification begins much earlier, accelerating prospects through the sales funnel.

## The Automation Equation

Optimally, Sales Campaigning can be largely automated so that less human resource is required to complete the baseline prospect qualification process. In addition, Sales Campaigning more effectively collects both qualitative and quantitative data in a less intrusive manner. Throughout the process, prospects are engaged, entertained, and educated on the firm offering so that prospects “qualify themselves” in a graduated approach over a period of days or weeks (or sometime only minutes), and more fully qualify when ready for human resource interaction.

Once the base qualification factors for suitable products and services are understood, one can determine what information should be collected across the various stages of the sales qualification process.

Once this breakdown is established, the determination can be made about what information to collect with machines, and what to collect with humans.

Let us turn our attention to the information that should be collected through automation. This information includes basic prospect profile information such as Name, e-mail, Phone, Address, etc. But, it may also include the key quantitative and qualitative criteria such as 1) physical proximity to product or service, 2) ability to purchase product or service, 3) authority to purchase product or service, 4) or timeframe of purchase.

Sales managers want their people calling on 'live' prospects. Indeed, great efficiencies can be created where human resources in the sales process are deployed to prospects that have already met a baseline qualification status. Sales agents can spend their time rounding out the picture of the prospect, qualifying them more fully, or disqualifying them altogether, rather than starting from square one.

Sales Campaign Automation is on the cusp of using e-mail, the Killer App, to provide meaningful impact in the Sales and Marketing Organization of many companies today. Among others it has the ability to:

- **Reduce cost of prospect qualification:** *reducing the time, effort, energy, and marketing costs required to create and verify demand*
- **Reduce cost of sale:** *in reducing the cost to qualify prospects, cost of sales is also reduced*
- **Streamline operational efficiencies in the sales organization:** *by automating the initial 60% of the sales funnel, sales organizations can become more focused on prospects with advanced qualification status*
- **Leverage marketing assets in a selling environment:** *fully capitalizing on powerful marketing tools by using them in Sales Campaigning*
- **Create powerful alignment between Sales and Marketing:** *by making lead generation that creates revenue the common goal, sales and marketing organizations can align to create truly meaningful results*

To learn more about Sales Campaign Automation solutions from eMaximation, please visit [www.eMaximation.com](http://www.eMaximation.com), or call 800-900-8321. Maximize Sales Through Automation, with eMax.

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