

What Exactly IS Lead Nurturing?

DemandGen's Definition of Lead Nurturing

The process of *engaging prospects* by providing the information and dialogue they need **at each stage of their buying process** to position your company as the best choice **to help them achieve their objectives**.

Let's look more deeply at the key points of this definition.

Engaging Prospects

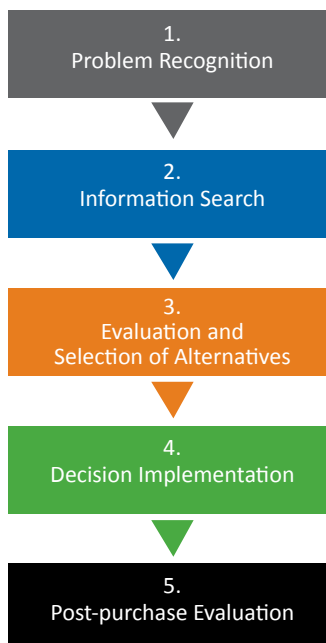
Just sending a lot of emails to your prospects is not "engagement." When we talk about "engaging," it's important to realize that we're talking about two-way communication. So engaging your prospect involves not only what you communicate to them, but what they communicate to you through their behavior: their digital body language. You need to take into account the feedback you receive from prospects, both explicit and implicit, and adapt your communications accordingly, in order to successfully engage them and keep your company top-of-mind during their buying process.

Engagement means a dialogue, not a speech; it means communication that has value for both parties, so that both parties have an interest in continuing to communicate.

Each Stage of the Buying Process

Unless your product is an impulse buy, your prospect goes through a multi-stage process in making the purchase decision. Remember, the prospect's *buying* process is not the same as your *selling* process! Typically, the buying process looks like this:

What are the points within the buying process at which your prospects can be helped by receiving information from you? It may seem obvious: Step 2. But in reality, your prospects can probably benefit from receiving *relevant* information before and after every stage of the buying process... including the first and last stages.



Highlights:

- What Exactly IS Lead Nurturing?
- The Basic Recipe for a Lead Nurture
- Nurturing Through the Funnel
- Why Lead Nurturing Matters: 6 Reasons

The key word here is *relevant*. For your particular product or service, you need to define exactly what kind of information is relevant at each stage (we'll discuss that issue later in this series).

Most companies have more than one product, and more than one kind of customer. And, for most companies, these stages aren't nice clean little boxes: they are multi-step mini-processes in themselves. So it's important to take some time to sketch out the buying process (or processes) for the specific prospect type and specific product/service for which you are designing a lead nurture.

Helping Prospects to Achieve their Objectives

Why do prospects become customers? Ultimately, it's because they decide your solution will help them achieve their objectives. They believe that yours is the best choice, for whatever reasons, to solve their problem.

The point here is that lead nurturing needs to be about THEM, and not about you. Too often we see nurtures that are completely focused on product features: the "what" rather than the "why." Of course features are important, but nurturing is as much about feelings as about facts. Start from the perspective of why the prospect should care about your product rather than what the product does.

It's a Process

The first two words of the lead nurturing definition are perhaps the most important: "The process."

Lead nurturing is an ongoing, continual process. It's not a one-shot deal, and every nurture is unique. Good nurtures are the opposite of shotgun-style marketing; they are carefully constructed with a variety of facets to gently but firmly drive prospects to a very clearly defined goal.

The Basic Recipe for a Lead Nurture

A well-designed lead nurture should be implemented as a conversation between you and your prospect. After working on hundreds of nurtures, I've come up with the basic recipe for a successful nurture program, and a "Nurture Brief" for putting the requirements together before I build the flow.

- A defined objective
- Entry and exit criteria
- Touchpoints/key messages
- Frequency/timing
- Key messages
- Assets required
- Reporting requirements
- Post-nurture plan

A defined objective. Consider what you want the prospect to do or to know by the conclusion of your nurture. You should establish a very specific, measurable objective for every nurture. Otherwise, how can you determine how well it did? If you can't define a specific, measurable objective, you won't be able to measure it and determine if it is working. An example of a vague objective is "Increase awareness of our company/product."

An example of a good one is "Convert 5% of free trial users to paid subscribers." By using segmentation techniques you can determine how many of the people who entered the nurture achieved the desired goal.

Entry criteria. How will contacts be fed into the program: contact group, filter, or form submission? Can they go through the program more than once? Are there differences between the initial feed of contacts and any subsequent or ongoing feeds? What are the specific field requirements? What contacts should be excluded from being fed into the program, and how should they be handled; are there different exit paths for different exclusions?

Lead nurturing: Providing prospects with the information and dialogue they need at each stage of their buying process to position your company as the best choice to help them achieve their objectives

Exit criteria. Under what conditions should contacts be removed from the program? Is it when they complete the program or when they achieve the goal? What other use cases would cause an exit: for example, unsubscribe, hard-bounce, successful registration, or changes to record type in the CRM? The trick here is to basically build personas of people who should and should not be in the nurture.

Touchpoints/key messages. Is there only one track for the contacts entering the program, or will there need to be different tracks for unique personas? If there are multiple tracks, how does the content differ? In each track, how many touchpoints will there be? What is the key message and call to action for each touchpoint?

Frequency/timing. Is there a waiting period at the beginning of the program before any evaluations or email sends? What about at the end of the program? What is the waiting period between email sends? Are there day/time restrictions on sends? Are there conditions where someone should skip a touchpoint?

Assets required. Are landing pages or fulfillment material (white paper, case study, etc.) needed? Do those materials already exist? How many emails must be created, and what type of template will be used? If these assets don't exist, who is responsible for creating them? If these assets will be gated by forms, don't forget to define the requirements for the forms, such as campaign ID, fields used, pre-population, or progressive profiling strategy.

Reporting requirements. How will you measure the success of the nurture? What specific metrics will you track? What reports would you like to see, and how often?

Post-nurture plan. What happens to the leads after they exit the program? Does that change depending on whether they exit in the middle or at the conclusion of the program?

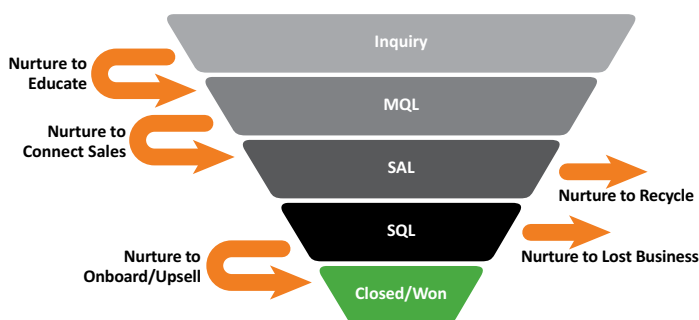
Nurturing Through the Funnel

When you're considering buying a product or service, you go through a process of decision-making. During this process, you look at different kinds of information to help with your decision:

1. At first, you're typically interested in general information: how do I solve my problem?
2. Then, you look at different products or services to explore the ways that they approach that problem.
3. You narrow your focus to the products or services that seem best suited to your problem, and examine them more deeply, looking at details of implementation or usage, reviews, risks, price, and more.
4. You decide on one solution and go through the purchase process.
5. Then you must implement that solution, make sure it works properly, keep it updated, and address any future issues with it.

As you use nurturing to move a prospect through the demand funnel from inquiry to closed sale and beyond, you should have one goal in mind: provide the specific, relevant information that your prospect needs at each stage. This is where you have to begin translating the buying stages into the stages of your demand funnel, so you can identify the right information to deliver at the right time.

The illustration below shows the primary points where nurturing is needed to deliver key information to your prospects and drive them through the funnel.



Inquiry to MQL: Education



Moving your prospect from being just an inquiry to being a Marketing Qualified Lead (MQL) is a process of education, so your nurtures should be focused on educating the prospect about your solution, but with an emphasis on the prospect's needs. This is sometimes described as welcome nurturing, but we feel it should be much more than that! This stage is your greatest opportunity to engage with your prospect and generate real, sustained interest in your product/service. Educational nurtures are the right place to use your exciting multimedia offerings, webinars, and the like as calls to action.

Depending on the nature of your business, you may need multiple nurtures to address the specific needs of different kinds of prospects, and within each of those nurtures may be numerous tracks or paths that your prospect may take, depending on the prospect's digital body language. For example, a software company likely has several different software products, and each of those may be used by different kinds of businesses with different types of challenges. The more specifically you can address your prospect's needs, the better success you will have at moving the prospect on through the funnel.

MQL to SAL: Connection



The next step for nurturing is to move the lead from MQL to becoming the Sales Accepted (sales-ready) Lead. The main goal of this stage is to get the lead and the salesperson together. The best offerings at this stage are tools like ROI assessments, consultations, and personal demos: anything that will result in a communication between the prospect and your firm to take the relationship to the next level.

SAL and SQL: Recapture



Think there's nothing for Marketing to do after leads reach Sales Accepted or Sales Qualified stages? Think again!

What happens to leads that are accepted by Sales, but turn out to not be ready? In many organizations, these leads simply fall through the cracks, and that's a waste. If they weren't Marketing Qualified, they wouldn't have gotten this far, so they still have value. Send these leads back through the funnel as recycled, and continue to nurture them.

What about lost business? Sales Qualified Leads are lost for a variety of reasons, and most of them don't mean that the lead can't have future value in one way or another. Your company may have other solutions that could benefit the lead. The solution they end up buying might not work out. It's honestly very rare that an SQL should be trashed! Set up a nurture for these lost business leads, and continue to engage with them.

SQL to Closed/Won: Onboarding, Retention, Upsell



Woo-hoo, you've won the business! But don't relax: your job's not done. As we all know, it's a lot more expensive to get a new customer than to keep an old one, so now it's up to you to keep them through ongoing nurtures.

Start with a welcome nurture for net-new customers, followed by onboarding and training nurtures when your solution is complex, or anytime that customers can use help to benefit from it. Upsell and cross-sell campaigns are obvious nurtures to plan. Continuing nurtures for loyalty and retention often include ongoing trainings, invitations to events and webinars, user group communications, industry news and trends. The goal here is to keep your company top-of-mind throughout the customer lifecycle.

Why Lead Nurturing Matters: 6 Reasons

As marketers who are already fans of marketing automation, you're unlikely to need convincing that lead nurturing is a good idea. But you ARE likely to have colleagues and management that aren't as aware as you are of the impact lead nurturing can have on the buying cycle and ultimately revenue. For those folks in your firm who need some convincing metrics to become believers, here are some helpful stats from the trusted benchmarking firms:

1. Companies that excel at lead nurturing generate 50% more sales-ready leads at 33% lower cost per lead (Forrester Research)
2. Nurtured leads produce a 20 percent increase in sales opportunities over non-nurtured leads (DemandGen Report)
3. 60% of marketers believe that technology can help them develop more high-quality leads (Forrester Research)
4. Sales reps dedicate 14% of their time to lead development, but only 6.3% of leads are utilized (Sirius Decisions)
5. 79% of marketing leads never convert into sales. Lack of lead nurturing is the common cause of this poor performance (MarketingSherpa)
6. 84% of qualified leads are not ready to buy (Aberdeen Research)


Why not make it a goal to add a few key lead nurturing programs to your next marketing plan?

To help you achieve that goal, let's recap the key tactics:

- Internalize the Demand Funnel
- Decide which types of nurture to build
- Develop clear nurture objectives
- Inventory existing content
- Map existing and future content to stages
- Build out workflow process
- Measure effectiveness and optimize

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