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Lead Nurturing Using SAS® Customer Intelligence Solutions

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ABSTRACT

Discover how SAS® uses SAS® Customer Intelligence solutions to score, nurture, and manage a high volume of Web leads. This paper covers the business objectives, execution, and results of active nurturing campaigns at SAS.

Learn how SAS implemented a lead nurturing strategy that tracks and acts upon online behavior, automates communications to prospects, scores Web leads, and improves lead-to-open-sales conversion rates using by SAS Customer Intelligence solutions, including SAS® Marketing Automation and SAS® Digital Marketing.

INTRODUCTION

Digital has changed everything. Buyers are spending more time online researching, engaging with colleagues and vendors, and evaluating offers. In a very short window of time, a potential customer can search for your company; research your products (and competitors' products); read reviews, success stories, and press about your company; and ultimately make a decision about becoming a customer.

Today, the customer expects the marketer to listen to what the customer is saying online and to deliver relevant information based on the customer's needs. Having two-way conversations with your prospective customers online is critical in keeping their interest and increasing your chances of keeping the sale.

This paper will explain how SAS approaches a lead nurturing program that enables two-way conversations with customers engaging on www.sas.com. The system tracks and acts upon online behavior, automates communications to prospects, scores Web leads, and improves lead-to-open-sales conversion rates.

LEAD NURTURING PROJECT OBJECTIVES

SAS recognized the need to engage with a large volume of visitors proactively looking for software information on www.sas.com. Through the use of online analytics, we found that a large percentage of these visitors located our product information through search. This represented a huge opportunity for SAS to improve the online experience with active users who are proactively looking for solutions that SAS can provide for their business problems.

Listed below are the initial goals of the SAS Lead Nurturing Project:

- Improve the online experience for prospects searching for SAS software.
- Implement a scoring system that makes a distinction between visitors who are "just browsing" (leads to nurture) from those who are "sales ready" (ready to buy).
- Implement marketing automation software that automatically triggers and tracks e-mail communications.
- Align Web content to changing customer behaviors.
- Increase lead-to-sales-opportunity conversion rates.

BUILD BUSINESS REQUIRMENTS AND IDENTIFY DATA ELEMENTS

Disparate data causes fragmented views of customer information. In order to build a sound lead nurturing strategy, you must understand your customer's behavior from all channels. Typically, customer data live in silos across the enterprise, and this data must be integrated to have a complete view of how a customer interacts with your company.

At SAS, we developed a set of business requirements around disparate data and built a centralized data mart that holds key information about customer and prospect behavior.

To start, SAS identified data from three distinct data sources (Web Database, Sales Database, and Marketing Interaction Database), and built requirements around contact data, account data, sales data, and marketing interaction data from these sources. One hundred data elements were needed from these data sources to address the business requirements.

Listed are the fundamental business requirements for the SAS lead nurturing project:

- contact-level information
 - Track and score individual downloads (white papers, demos, Webinars, case studies, research reports, event registrations, and so on).
 - Track and score online behavioral data. This includes any data collected that tells you how frequently individual customers visit your Web site, how long they stay, what they click on, and what they search.
 - Score demographic information. This includes information about the contact, such as job title and job function.
 - Track, automate, and report on all e-mail communications to individual contacts.
- account-level information
 - Score information about the enterprise. This includes information such as company size and company industry.
- sales-related information
 - Automate the lead passing process.
 - Score information about current and previous sales.
 - Track and report on the lead life-cycle.

DEVELOP A LEAD SCORING METHODOLOGY

Having a good scoring methodology in place will help separate online visitors who are just browsing from those who are ready to buy. It is important to collaborate with the Sales organization to agree upon a 'Sales Ready' score. This is the agreed-upon score between sales and marketing at which leads will be passed. The goal here is to start with a simple scoring model, create a feedback loop with sales, and make adjustments to the scoring model over time.

SAS started scoring Web visitors on two factors:

- *Who the visitors are (explicit scores):* Assign points to Job Title, Job Function, Company Industry, and Company Size.
- *What the visitors do (implicit scores):* Assign points to individual downloads (white papers, demos, Webinars, case studies, research reports, event registrations, and so on).

Graphically, your early scoring model should look something like this:

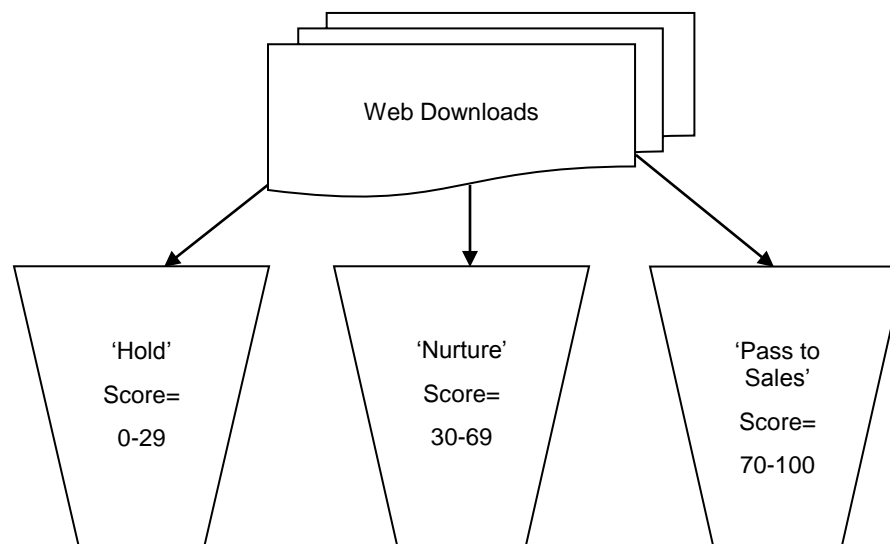


Figure 1. Scoring Model

Develop a scale for your scoring so it is easy for the model to identify the next action. In the preceding example, no action is taken ('Hold') if the score is less than 30, nurturing ('Nurture') occurs if the score is between 30-69, and the lead is sales ready ('Pass to Sales') if the score is greater than 70. Use a combination of explicit and implicit scores to determine the ranges in your scale.

Also as part of the lead scoring process, SAS developed and implemented a process called 'Automated Lead Management.' This system automates the lead passing process and is critical to the nurturing project. Once leads score high enough to become 'sales ready,' SAS created a program that immediately passes leads to their assigned sales rep in the sales force automation tool. The Automated Lead Management system allows for immediate lead follow-up with sales and also ensures that no leads are left on the table.

IMPLEMENT MARKETING AUTOMATION AND DIGITAL MARKETING

For those Web visitors who fall into the category of 'nurture,' a platform is needed to track online behavior and automate e-mail communications to the next best offer in the nurturing cycle. When visitors are on www.sas.com and actively downloading content of a specific topic, this triggers the next best e-mail communication within that same topic area. SAS implemented SAS Marketing Automation to create and automate the nurturing campaign logic and SAS Digital Marketing to automate e-mail communications. Both technologies work together to handle campaign logic and e-mail marketing all from one interface.

To start, the campaign communication flow looked something like this:

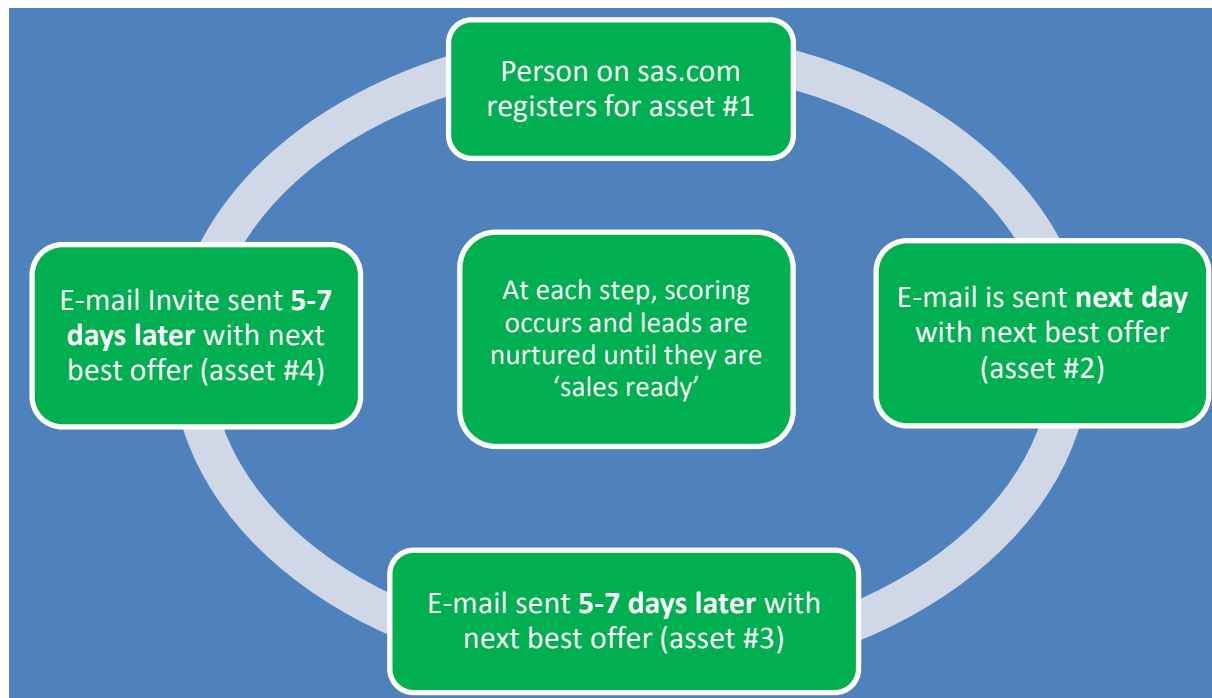


Figure 2. Simple Lead Nurturing Communication Model

In the preceding figure, each asset is a campaign in SAS Marketing Automation. The campaign logic is predefined, and e-mail communications for the next best offer are automatically run on a daily basis.

An example of campaign logic in SAS Marketing Automation is shown here:

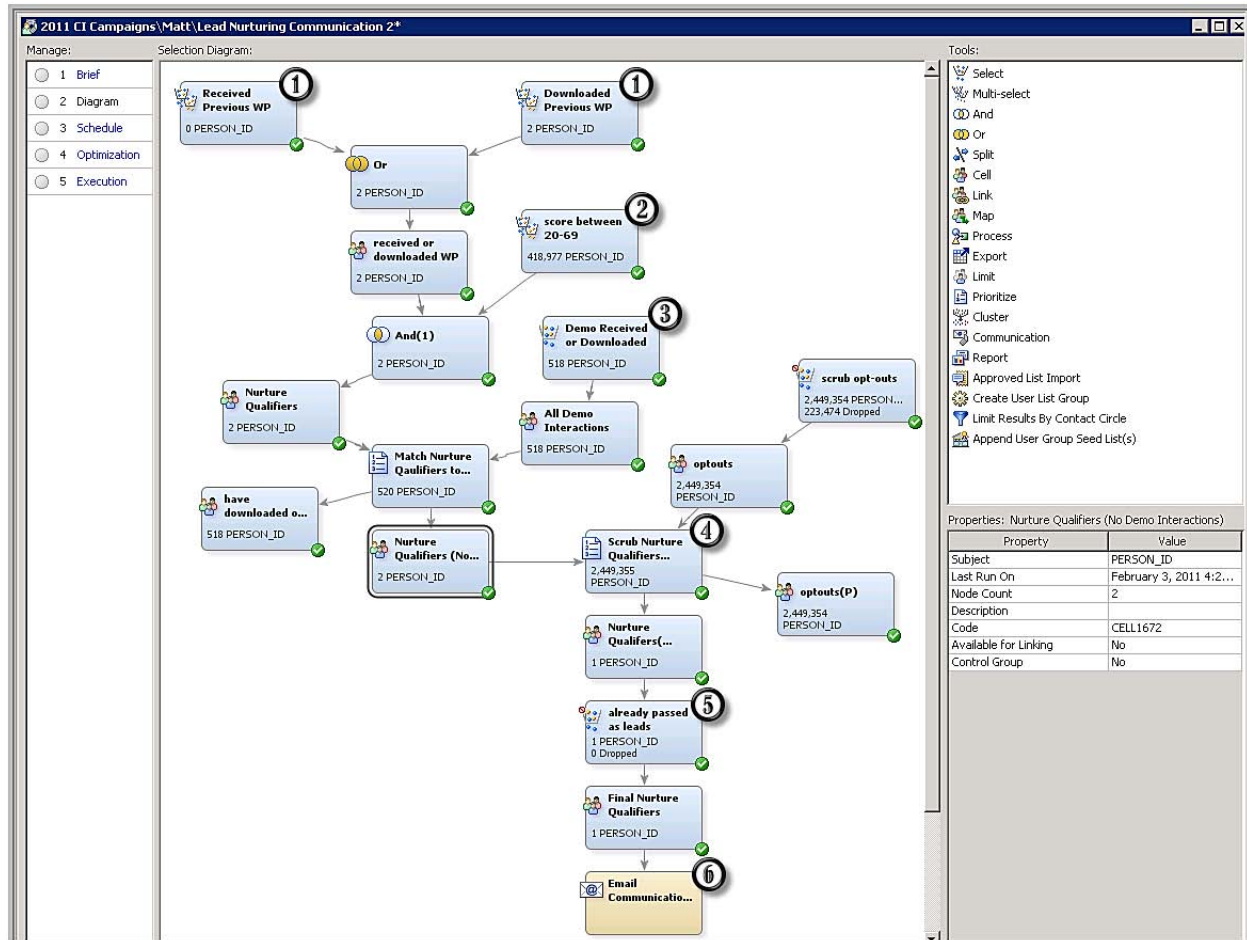


Figure 3. Nurturing Campaign Logic using SAS Marketing Automation

The above example walks through logic for asset #2 (demo) from the campaign example in Figure 2. The first asset in this campaign is a whitepaper (noted as 'WP' in the logic). The six steps in the logic are noted in Figure 3.

1. Look for all qualifiers in the database who have previously received or downloaded asset #1, the whitepaper (WP).
2. Apply lead score to qualifiers to determine if they are ready to be nurtured.
3. Determine if qualifiers have already downloaded or received an e-mail communication for current asset #2 (demo).
4. Scrub qualifiers against e-mail opt-out database.
5. Determine if qualifiers are already speaking with the sales force.
6. Automate e-mail communication for demo to final qualifiers from communication node.

Now that the qualifiers to receive the demo have been identified, it is time to send the e-mail communication. The following example shows the simple two-step process needed to send the e-mail communication from the SAS Marketing Automation interface.

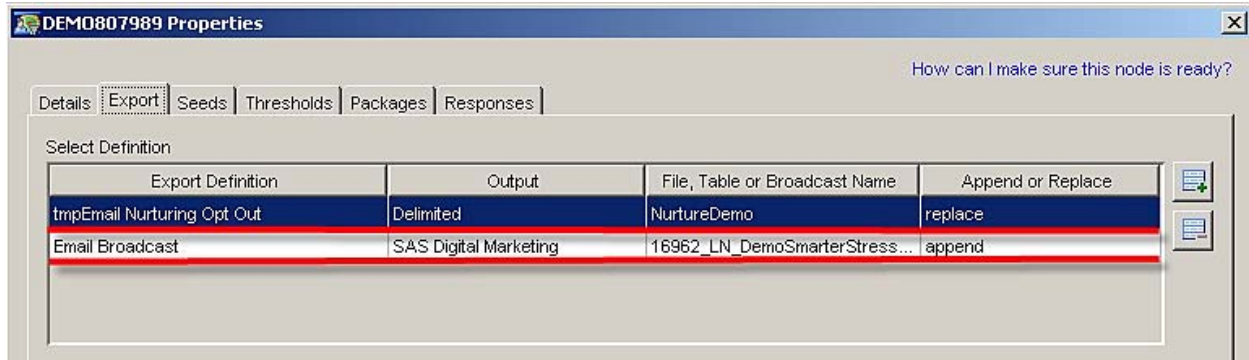


Figure 4. SAS® Digital Marketing Integrates with SAS Marketing Automation

Displayed between the red lines in Figure 4 is the specific e-mail communication for the demo from the campaign logic in Figure 3. Once the e-mail is sent, the communication and all associated metrics (opens, click-throughs, responses, and so on) are tracked in contact history for reporting and analysis purposes.

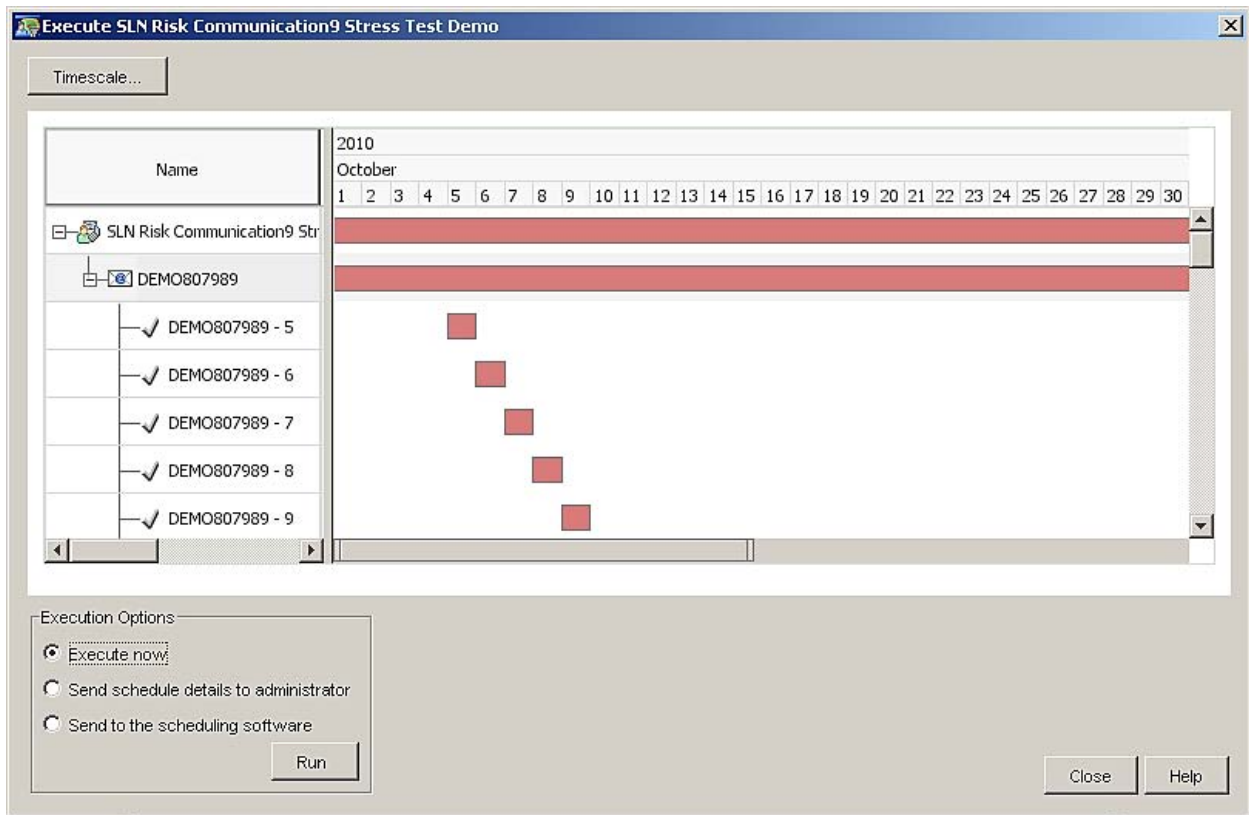


Figure 5. SAS Digital Marketing Integrates with SAS Marketing Automation

The integration of SAS Digital Marketing enables real-time e-mail communications directly from the SAS Marketing Automation interface. E-mail communications can be sent manually or they can be scheduled to run automatically through a process known as 'lights out.'

RESULTS

The results of the lead nurturing campaign at SAS have been compelling. To date, the SAS Lead Nurturing Campaign is delivering results above industry averages and has exceeded internal expectations.

Listed are the results for the key performance indicators of the SAS Lead Nurturing Campaign:

- E-mail Click-Through Rate = 13%
- E-mail Response Rate = 6%
- E-mail Opt-Out Rate = <0.5%
- Lead to Sales Conversion Rate = 20%

CONCLUSION: THE FUTURE OF LEAD NURTURING

Lead nurturing, put simply, is a process of listening and understanding online customer interactions and having an automated system to deliver relevant information. The contents of this paper covered the essentials of getting started with a lead nurturing system. The effort must have clearly defined objectives, strong business requirements, data integration efforts, a lead scoring methodology, and marketing automation. It is a key digital strategy to open up your Web site as a channel for relevant real-time communications with customers. However, the process will evolve, and analytics will be the key to future success. SAS offers many solutions to take this strategy to the next level.

SAS® Customer Experience Analytics holds the key to the future advancement of lead scoring and lead nurturing. The technology captures and delivers deeper insight into customer behavior from all online interactions. This includes search, call center, chat, and anonymous download activity, as well as, tracking the recency, frequency, and duration of all customer Web site visits. This level of information serves to improve lead scoring models, allows predictive analytics to be run on the best sequence of offers during the nurturing cycle, and ultimately improves the customer's online experience. SAS Marketing Optimization maximizes and predicts the effects of cross-campaign communications on your entire database. The solution manages complex contact policies and uses response and economic value models to predict ROI and the next best campaign communication to individual customers.

The expectations of marketers today are to understand, listen, and engage in relevant, two-way conversations with customers. Tomorrow, the expectations of marketers will be to leverage the power of analytics to track and understand all customer interactions (via search, social, mobile, offline, and so on) in real time. They will need to use this data to understand and predict: online behavior, channel effectiveness, next best offer, influencers within social communities, and response across multiple marketing campaigns. Digital has changed everything. SAS Analytics will change everything again.

RECOMMENDED READING

- *Bringing Customer Intelligence to the Web Channel*. 2008. SAS Institute Inc., Cary, NC.
- *A Marketer's Guide to Analytics*. 2010. SAS Institute Inc., Cary, NC.
- *Solving the Challenge of Lead Management Automation*. 2011. SAS Institute Inc., Cary, NC.
- *Turning Customer Data into Analytical Marketing Fuel*. 2010. SAS Institute Inc., Cary, NC.

CONTACT INFORMATION

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