

B2B Online Marketing Guide: 5 Critical Principles

OMNITURE®

BEST PRACTICE GUIDE

- Increase the quantity and quality of your leads
- Track, measure, & analyze for true ROI
- Stretch your marketing dollars

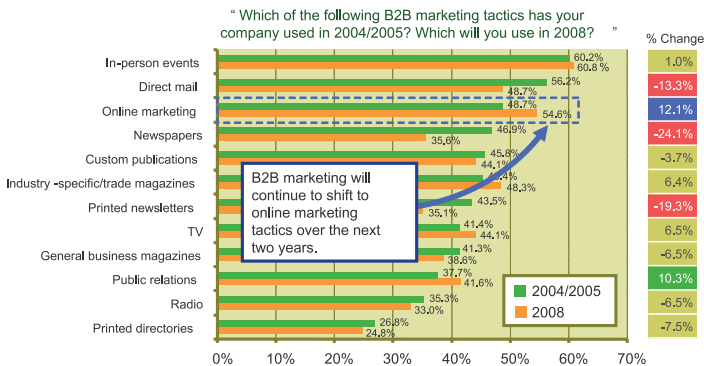




Where is Business-to-Business Marketing Headed?

Over the past ten years, as online options have increased 100 fold, the world of B2B marketing has reinvented itself—several times. In order to be competitive, particularly in the Web 2.0 environment, businesses have to be ahead of the trends. According to the Direct Marketing Association, by 2008 online marketing efforts will be the dominant media for business-to-business initiatives. Think about that: traditional direct mail, industry print, and events and promotions will take a back seat to more efficient and sophisticated online efforts. A Forrester Research study in 2005 indicates that by 2008, online marketing will be more ubiquitous than anything except in-person events (including sales calls).

B2B TRENDS—MARKETING TACTICS



A quick look at business buying behavior underscores the importance of online marketing efforts. According to CMO Council/ KnowledgeStorm, more than 45% of all B2B decision makers spend five or more hours every week researching product and service information. They're attracted by the ease of access and availability, and breadth and depth of the information they can consume almost instantaneously. For most of them, their online research begins with a search engine. Perhaps most telling of all, 89% of business users and IT professionals state that online content has a moderate to major impact on their vendor preference and selection. Clearly, for B2B marketers, the ability to provide easily accessible, relevant, and in-depth information has never been greater.

But along with the opportunities come the challenges. For most marketers, those challenges are centered on lead generation, customer relationships, and measuring results more accurately.

So, if you are a B2B marketer with a need for better lead generation, relationship management, or tracking (or, more likely, all three), what are the critical factors you should consider?

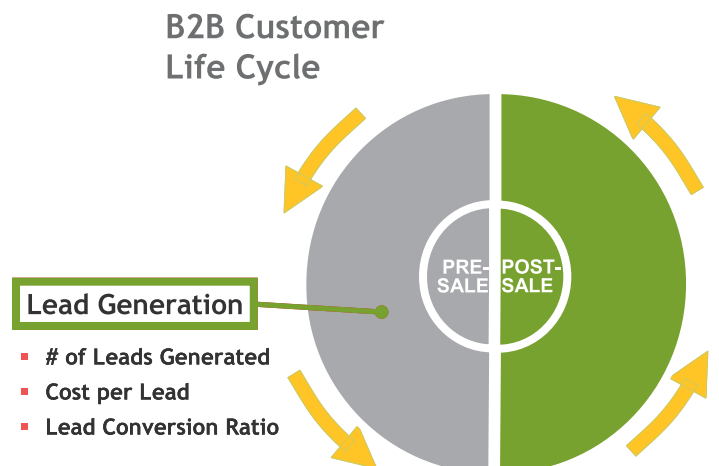
First of all, remember that tried and true B2C tactics may not necessarily work. Taking a strategy that's worked well in the consumer world doesn't generally translate into business audience success. For example, consumers are often motivated by impulse or status—clearly emotional triggers. If they make the wrong decision, at worst they've wasted their money. A business prospect, on the other hand, will spend far more time researching the product or service, weighing the risks and implications, and looking for possible alternatives. The easier you make it for them to get this information, the more likely they are to respond favorably. There are generally several decision makers or influencers involved, so the initial “researcher” needs to have information readily available to “sell” everybody else in the decision making path. So give them the depth and breadth of information they are likely to need, and make it easy for them to close the sale on their end.

STEPS TO SUCCESSFUL ONLINE B2B EFFORTS

1. Better Lead Generation

One of the most common mistakes businesses make is jumping in to a program without fully defining the relevant key performance indicators (KPIs). If you think that the most important KPI is the number of leads generated, your VP of Sales thinks it's the conversion rate of leads to sales, and your CFO thinks it's the overall CPL, how will your company define success? An age-old rule of direct marketing is even more important when talking about online lead generation—all leads are not created equal. If you treat them like they are, you are doomed from the beginning. That's why a suc-

B2B KEY PERFORMANCE INDICATORS

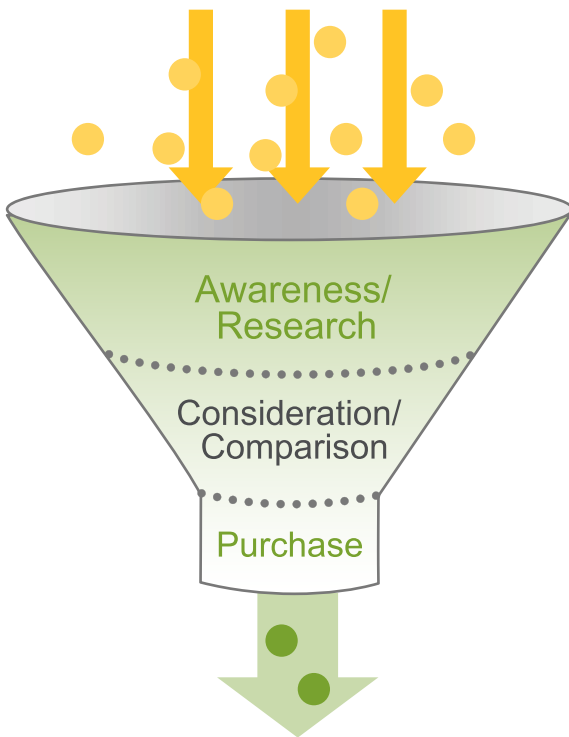


Successful lead generation model will rely on multiple KPIs to keep the program focused and effective—and to keep you from wasting time and money on leads that just don't matter. Spend some time determining what your most important—and most actionable—KPIs will be, understand the interaction between the KPIs, and then use that information to help you prioritize your leads.

Many online marketers spend considerable time qualifying and prioritizing leads, sometimes with mixed results. A tool, such as Omniture SiteCatalyst allows you to qualify prospects based on their site behaviors, and determine trends that identify best prospects for conversion. For example, if you know that 90% of all prospects that visit a certain page on your site will eventually convert to customer, it makes sense to cultivate those leads as a high priority and ensure that communication with them is consistent and relevant. Conversely, if only 5% of visitors convert after downloading specific information, you may need to re-evaluate your offering, step up your qualification process, limit ongoing contact, or perhaps do all three.

Before you can begin segmenting and prioritizing your leads, you need to find a method for generating a consistent stream of low-cost, high-quality leads. This requires an ongoing commitment to testing, tracking, and constantly refining to determine the most effective sources. For most B2B marketers today, the Internet is critical. Just don't count on getting all of your sales online, because while the trend is definitely moving to online lead generation, most sales (and a lot of relationship building) still take place offline. In fact, there are typically three phases to the decision/purchase cycle:

3 PHASES OF B2B CONVERSION



Depending on your company and industry, your online efforts will probably lead at least one phase, and influence the others. The cycle is typically much longer than a consumer cycle—sometimes extending several months or more. Recognize that this cycle is complex, and that your prospects will require different actions, depending on what stage of the buying cycle they are currently in. Also, keep in mind that there may be many success events for your

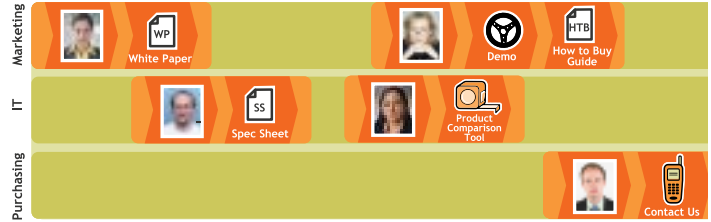
website, or for each prospect. A successful program will slot these events into your contact strategy with a defined, appropriate action at each one.

B2B—COMPLEX BUYING CYCLE

B2C - Online Buying Cycle



B2B - Online Buying Cycle



The B2B Buying Cycle is more complex to measure:

- Multiple participants (influencers and decision makers)
- Multi stage process
- Latency between steps

2. Nurturing Prospects—and Customers

Prospect Relationship Management (PRM) is perhaps the most critical, and most frequently ignored, tool in B2B management. The longer, more complex buying cycle means that relationships have to be cultivated over a lengthy period of time. And that requires a mini sales process at every point in the decision making process. These actions are often referred to as “micro-conversions”, meaning you have to convert your prospect at every level, and build on the relationship over a period of time. Every communication provides another opportunity to convert your prospect to the next step. But the performance of each step must be measured. Here's where having your KPIs defined at the start of the campaign will help you manage to the most important ones.

MICRO-CONVERSION TO SALES

Awareness / Research	Consideration / Comparison	Purchase
<ul style="list-style-type: none"> ▪ Product info views ▪ Solutions info views ▪ Solution guide downloads ▪ Industry vertical downloads ▪ White paper downloads 	<ul style="list-style-type: none"> ▪ Newsletter sign-ups ▪ Webinars ▪ Demos ▪ Video views ▪ Case study downloads ▪ Trial downloads ▪ Analyst research downloads ▪ Product comparison tool ▪ Product configuration tool ▪ Site registrations 	<ul style="list-style-type: none"> ▪ How to buy ▪ Partner / Solution finder tool ▪ Quotes ▪ Contact us (Online forms, Click to chat, Request a call, etc.)

- The B2B Buying Cycle encompasses a **series of micro-conversions** as prospects progress through different phases.
- These micro-conversions can serve as **leading indicators of offline sales**.

AUTO TAGGING: Automatically tags the templates that need to be tracked, enabling you to more efficiently track and analysis data from your Web site.

TRIGGER MARKETING: Trigger marketing takes micro-conversion data, and serves up offerings by broad category analysis of clickstream. This enables customized product offerings based on behavior, and allows for email targeted to specific customers after they browse the site.

REAL LIFE EXAMPLE: LEAD GENERATION MICRO-CONVERSION A High-Tech Company

Business Challenge: A high-tech company needed to measure the impact of non-revenue conversion points on SMB B2B experience, and also convert visitors into viable leads. This was made more difficult because there are multiple conversion points on their site.

Solution:

- Auto-tagged micro-conversion points
 - > Any page that contained "thank" in the URL was treated as a micro-conversion point
- Tagged pre-sales shopping tools
 - > Any page that contained "event" was tagged, indicating that the user had requested pre-sale information
- Utilized trigger marketing
 - > Custom offerings were "triggered" by specific clickstream behavior
 - > Email was targeted to specific customers browsing the site within a certain time

Results:

This methodology showed an initial lift of over 300% to standard email offerings.

EXAMPLE SCENARIO: MEASURING MICRO-CONVERSIONS WITH OMNITURE SITECATALYST:

STEP 1: Create Funnel Diagram for key micro-conversions and buying cycle



STEP 2: Use a calculated metric to aggregate similar events into an index (e.g., Research Index). Trend index over time.



STEP 3: Measure the performance of different search campaigns targeting different phases in the buying cycle.

Search	Count	Percentage	Conversion	Cost	ROI
SEARCH RESULTS 1	1,100	33.3%	1,100	100%	100%
SEARCH RESULTS 2	1,100	33.3%	1,100	100%	100%
SEARCH RESULTS 3	1,100	33.3%	1,100	100%	100%
Total	3,300	100%	3,300	100%	100%

3. Retaining Customers With Better Customer Support

The best lead generation program can't compensate for a leaky bucket. And the biggest leak in the bucket is almost always customer attrition. Smart B2B marketers know that the best investment they can make is in strengthening and retaining their loyal customer base. In fact, the most successful companies will devote a percentage of their marketing budget that's at least equal to their market share to customer loyalty and retention initiatives. And one obvious yet often overlooked opportunity is in strengthening your customer support. Typically, the majority of your interaction with your customers is through ongoing customer service, and yet 68% of all customers say they defect because of poor service (Gartner Group). It stands to reason that addressing customer needs and service preferences more adequately can be highly profitable.

Self-service Web options are great (and relatively inexpensive) tools for providing your customers with the access they need to be self-sufficient. It's often faster and easier for customers to utilize the Web rather than a traditional call center, and it provides the added benefit of being available when they want it. But how do you measure the effectiveness of your self-service option?

CUSTOMER SUPPORT COSTS PER INCIDENT

Service Channel	High	Low	Average
Web self-service	\$5	\$0.25	\$0.50
Basic email	\$42	\$2.00	\$4.50
Automated email	\$28	\$1.50	\$2.50
Web chat	\$57	\$3.00	\$7.50
Automated chat (IM)	\$27	\$4.50	\$5.25
IVR	\$12	\$0.85	\$1.85
Telephone	\$28	\$2.50	\$4.50

Based on research by Gartner, web self-service is by far the most cost-effective support channel.

A web inquiry occurs when a visitor contacts your company directly through an online mechanism. Each inquiry represents an instance when web self-service was unable to adequately answer a customer's question. That means the customer was forced away from the self-service channel to the more expensive chat or telephone options in order to get their problem resolved. In addition to adding expenses to your bottom line, it wastes more of the customer's time and leads to increased frustration.

Four ways to increase self-service effectiveness:

- Provide single access point to all necessary data
- Maintain a consistent look, feel, and navigation
- Give customers control over format and delivery
- Ensure response time is faster than offline methods

REAL LIFE EXAMPLE: CUSTOMER SUPPORT

A High-Tech Company

Business Challenge: Another high-tech company needed to determine how effective their self-service sites were at reducing call center volumes.

Solution:

- Launched simple customer survey and used Omniture SiteCatalyst to capture responses.
- Set business goals to improve ratio of successful/failed visits.
- Developed a formula for monetizing success of the online self-service channel.
- Used information from Omniture SiteCatalyst to guide support site improvements.

Results:

- Determined that customers couldn't find what they needed on the self-service site, which led to a highly successful initiative to improve internal search effectiveness.
- Identified several sections of content that resulted in failed support visits. By adding additional content, failed visit rates declined dramatically.
- Used path analysis to determine that customers were not locating documents available on other knowledge sites outside of the main support site, and implemented an improved navigation that allowed them to more easily access that information.
- Overall, initiatives improved self-service success rate by 20%

4. Tracking and Measuring Success

Over the past few years, a whole new generation of sophisticated tracking and measuring tools have been introduced. This makes the B2B marketer's job easier—and also harder. It's easier to track every effort, assign a cost to it, and increase marketing efficiencies. It's harder because there's more information than ever, more accountability, and an almost infinite number of possibilities for both success and failure.

To be competitive today, you really need a robust Web analytics tool to help you manage your program. At a minimum, you need a program that allows you to:

- Define campaign variables, and collect campaign IDs, including them in the URL of your marketing pieces
- Classify campaign IDs, page names, and other values into categories and track by campaign report
- Utilize proprietary tools (such as Omniture SAINT) to customize attributes and campaign metrics
- Track revenue and effectiveness across all campaigns and channels—including the path from online lead generation to offline relationship building and conversion processes
- Track by specific variables, such as geography
- Import and analyze external metrics
- Build customized dashboards to allow you to readily evaluate KPI performance at a glance and determine overall efficiency of campaign

No matter what your budget or needs, make sure you invest in a solution that's scalable, cutting-edge, and provides the flexibility you need. Omniture's SiteCatalyst provides all of these benefits, and many more.

5. Measuring Five B2B KPIs

Key Performance Indicators

1. Leads Generated
2. Lead Conversion Ratio
3. Cost per Lead
4. Web Inquiries
5. Web Inquiry Failure Rate

For each KPI, this document will describe:

- How to Setup and Measure
- Quick Wins (What to look for, Actions to Take)

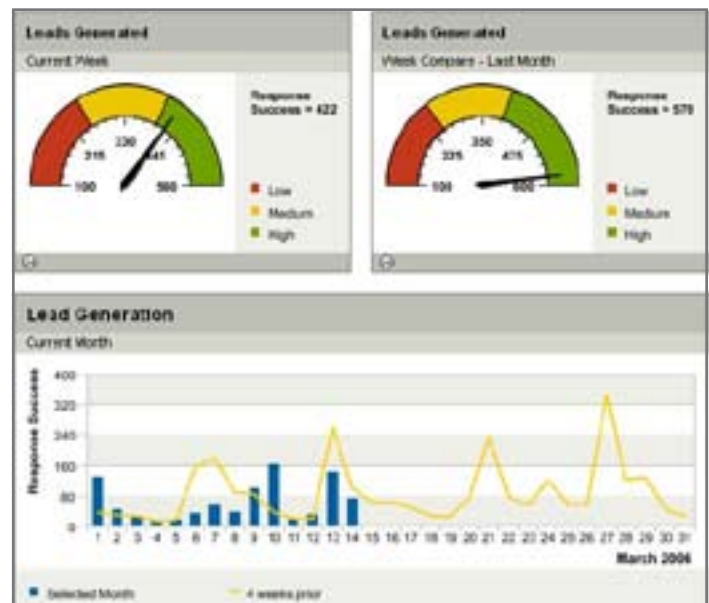
LEADS GENERATED

Leads generated is purely quantitative, and is an excellent measurement of success when considered with other indicators. By itself, leads generated provides insight into how effective your site and marketing efforts are at acquiring visitors and converting them to leads. As noted, it is important to measure total leads in consideration of other metrics which indicate lead quality.

HOW TO MEASURE

- **Calculation:** Leads for the reporting time frame

Sample Reports:



It is suggested that once you configure the date range and reporting style to your liking, that you create a dashboard view of this report and save it under the category of "Strategic KPI" for easy viewing and scheduled delivery. You may also consider creating an alert to notify you or key stakeholders of any significant changes in this metric.

QUICK WINS

The number of leads generated is a key indicator of marketing effectiveness. This metric is very high level and should be considered a long-term trended KPI. As traffic fluctuates, leads will naturally fluctuate. The goal is to increase leads over time, as long as more leads result in more sales.

- **Increasing Visitor Counts** – More traffic means more opportunities for leads! Identify the most effective marketing channels

and optimize around these. To do this, breakdown lead metrics by campaigns and marketing channels. Compare this information to target market (demographics, geographic, etc.) and optimize around the top performing channels and creatives.

- **Increasing Conversion** – You already have the visitors, now you need to help them take the next step. The easiest place to start is with path and fallout analysis. Begin by running a fallout report related to the path users are expected to follow. Then, analyze exit pages and run Previous Page Flow analysis from these. Are there patterns? Does something need to be fixed? Optimize navigation and design with A/B testing.
- **Qualified Traffic** – Although lead numbers alone do not measure lead quality, another angle is to understand the quality of visitors, or the propensity of visitors to convert to leads. This is a sub level of quality and should be optimized to: decrease cost per lead, increase conversions, and improve lead quality. Breakdown campaign and marketing channel information by leads. This will point to marketing efforts which produce the highest number of leads. Now compare these campaigns to demographics and geographics. Look for patterns and optimize marketing efforts around top performing elements.

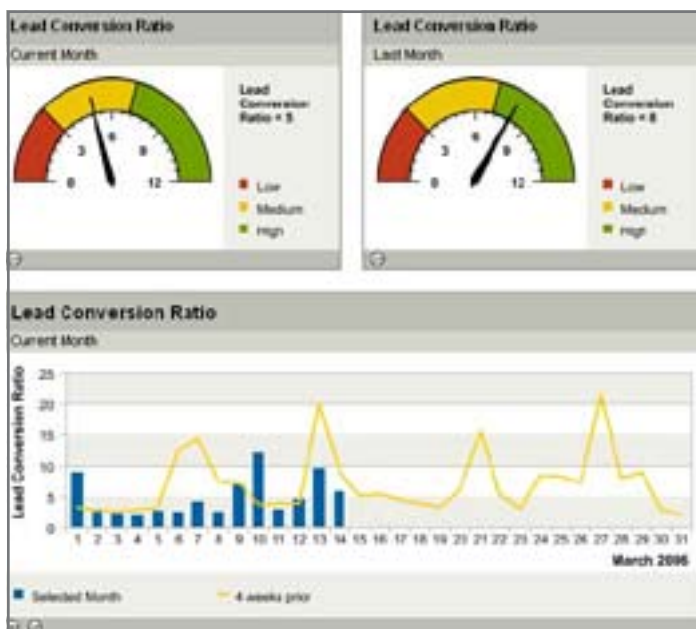
LEAD CONVERSION RATIO

All forms of lead generation are based on conversion of visitors to leads. This KPI is critical to your success, and should be monitored closely. As noted in the Leads Generated KPI, the conversion ratio is generally influenced positively by incentives (including offers) and negatively by barriers (like poor navigation or security concerns). Although visitors generally convert across visits on Lead gen. sites, this KPI is optimized to measure the ratio of conversions within a visit. Therefore, this metric generally measures the effectiveness of a site’s ability to convert visitors who are more than casual browsers.

HOW TO MEASURE

- **Calculation:** Total Leads/Total Visits

Sample Report:



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QUICK WINS

Many Lead gen. visitors will access your site in phases. The first may be a discovery phase where they stumble across your site and hit a few pages, if interest grows, visitors may return to perform some form of research. It is during this information gathering phase where conversions are critical, this is the conversion phase the Lead Conversion Ratio targets.

- **Barriers** – This is all about navigation, design, and trust. Where do visitors seem to stop in the lead conversion process? Start with path flow analysis. Run fallout reports to understand where visitors are dropping out. Perhaps visitors are not following the predicted flow. Next look at the paths visitors are taking. How does this differ from the predicted path? Where do they exit the path? What are the possible barriers? Run ClickMap or custom link reports to understand how visitors may be using menus and links. Try some controlled A/B tests to measure and optimize navigation, design, and trust elements (form security, etc.).
- **Incentives** – What motivates visitors to advance through a “conversion step”? Offers can be a compelling incentive. These free or low cost incentives provide enough value to visitors to grab their interest and make them want to provide you with their information. Measure the success of your offers and other incentives and compare successful offers with those that are less successful. Optimize your incentives around the top performing results.
- **Qualified Traffic** – Visitors with a purpose are more likely to convert. It is possible to create interest for new visitors, but it is far easier, and more effective to convert visitors who came to your site with understanding and intentions to learn more or even purchase. Analyze conversion ratio trends. Compare these to campaign performance and channels which drive the most leads. Optimize budgets and creatives around the top performing channels and marketing efforts.

COST PER LEAD

How much do your leads cost? This is a KPI you want to keep in check, and part of that check is balance between cost and effectiveness. Cost per Lead indicates trends of costs compared to the number of leads generated over time. Long term trends may point to marketing efficiencies across the board, while short term trends will point to specific channels and campaigns running at the report time frame. Cost per Lead is a ratio and strategic metric. It is important to reference other KPIs along with Cost per Lead. Total leads, for instance, should always be considered with Cost per Lead because it adds a quantity perspective to the Cost per Lead ratio. Another consideration should be revenue. Cost per Lead should never be managed independent of revenue.

HOW TO MEASURE

- **Calculation:** Total Costs/Total Leads

Sample Report:



It is suggested that once you configure the date range and reporting style to your liking, that you create a dashboard view of this report and save it under the category of “Strategic KPI” for easy viewing and scheduled delivery. You may also consider creating an alert to notify you or key stakeholders of any significant changes in this metric.

QUICK WINS

The goal is to reduce Cost per Lead, but only if it compliments the eventual goal of driving overall profit. From the strategic level, this metric should be analyzed over your entire site as a trend. By itself, it cannot point to success or failure. It must be measured with KPIs that point to lead quality.

Note: Understanding lead quality is attainable by measuring leads with sales, or revenue. Lead gen. sites don’t generally recognize revenue online though. Omniture’s Data Sources allows offline transaction information to be paired with unique lead IDs for qualitative measurements in the SiteCatalyst interface, giving you powerful lead quality information. An explanation of Data Sources is outside the scope of this document, for more information, please contact your Omniture Account Manager.

- **Campaign Channels** – Run short term cost per lead report and compare trends to campaigns by lead (be sure to consider campaign volume and lead volume). Look for top campaign channels and creatives, then optimize budgets and offers for success.
- **Quality of Leads** – To understand lead quality you will need to associate a value to each lead. This can happen in real-time if your product is sold online, or if leads have a predefined value. If leads have a predefined value, create a calculated metric of the number of leads multiplied by the pre-defined value in SiteCatalyst. If there is no pre-defined metric, SiteCatalyst includes a powerful Data Sources tool for importing revenue, or you could leverage the Omniture Excel integration for this calculation. Measure Cost per Lead with lead quality and compare this to Cost per Lead trends. Reference campaign and channel performance trends to gauge whether these may be influencing Cost per Lead and quality of leads.

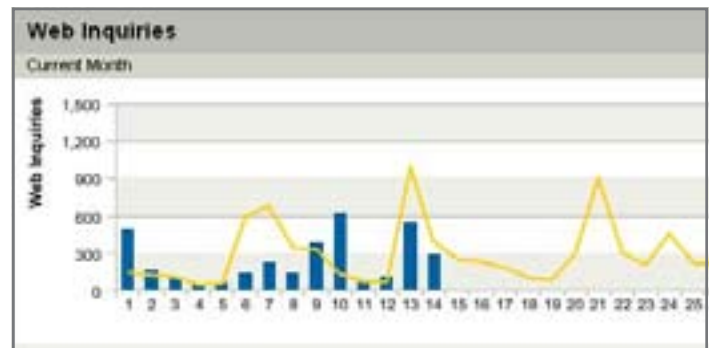
WEB INQUIRIES

A web inquiry is an instance of a visitor not getting support through the site. With a web inquiry, a visitor finds an alternative way to get help from the company (chat, email, forum, request a call, etc.). This failure to provide automated support is costly. Not only did the company incur costs for the web site, but it now must provide a secondary means of support. The obvious goal is to reduce a dependency on redundant support. This is made possible through optimizing a self-service component of a Lead gen. site in order to help customers help themselves.

HOW TO MEASURE

- **Calculation:** Total number of web inquiries for the reporting time period

Sample Reports:



It is suggested that once you configure the date range and reporting style to your liking, that you create a dashboard view of this report and save it under the category of “Strategic KPI” for easy viewing and scheduled delivery. You may also consider creating an alert to notify you or key stakeholders of any significant changes in this metric.

QUICK WINS

The goal is to reduce web inquiries. A reduction in web inquiries (all other metrics held constant), signifies a more efficient site. Over time, trends should show a gradual reduction of web inquiries compared to overall traffic. In the short term, monitoring web inquiry activity is essential for analysis of immediate changes to the site. Look for spikes and correlations between new content, design, or functionality.

- **Content Performance** – Content is the backbone of self-service components. If the information provides the answers customers are looking for, your site has been successful. Measure specific content by “article”, and category. Event participation (noted in Implementation Requirements) can provide insight into the number of inquiries related to each article. Understanding the relationship between the content and web inquiries will help point to success and failure of information.
- **Search** – Can visitors find what they are looking for? Search is one of the main components of self-service navigation. Measure search inquiries. Which phrases are searched for most often? How do web inquiries relate to search results? Capture search phrases on the content landing page and compare the web inquiry event participation to these pages. If visitors are searching for content that doesn’t exist, or is not helpful, consider adding content which addresses the need.

- **Navigation and Design** – Run previous page flow analysis to understand which pages visitors may be accessing before making web inquiries. Find ways to reduce barriers through improved navigation and content flow. Use A/B testing to improve navigation and design.

WEB INQUIRY FAILURE RATE

The Web Inquiry Failure Rate KPI is a conversion ratio. The goal is to reduce the rate of failure, by increasing visits and reducing overall web inquiries. This KPI accounts for activities within visits and does not cross sessions. It points to problems with content, navigation, and overall user experience.

HOW TO MEASURE

- **Calculation:** Total Inquiries/Total Visits It is suggested that once you configure the date range and reporting style to your liking, that you create a dashboard view of this report and save it under the category of "Strategic KPI" for easy viewing and scheduled delivery. You may also consider creating an alert to notify you or key stakeholders of any significant changes in this metric.

Sample Reports:

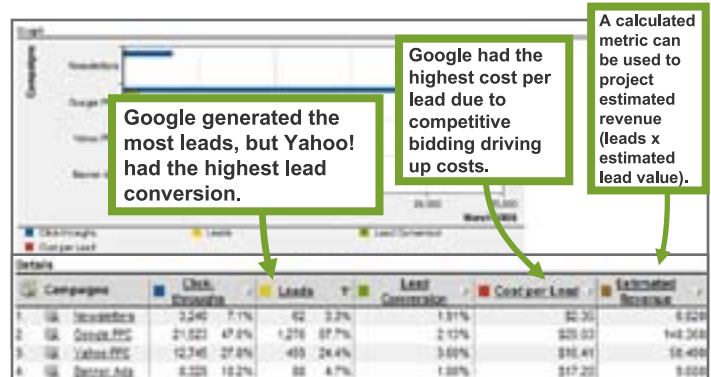


QUICK WINS

The goal is to reduce the rate of failure per visit, so reporting should be configured for days to focus on optimizing around site performance and content. It is also important to understand the failure rate trends over time. In particular, comparing conversion rates to similar events over time as a measure of long term effectiveness.

- **Product Service Launch** – Does your company regularly release products or adjustments to services? Compare failure rates between launches (trend view). This will provide insight into trends in the overall success of content and efficiencies of the site. It is important to measure across launches because activity will generally increase immediately after a launch and taper off for each product/service over time.
- **Navigation/Design** – What are the barriers to success? Measure conversion with path flow analysis. Optimize using A/B testing as noted in Web Inquiries.

SAMPLE KPI CAMPAIGN DASHBOARD



SUMMARY:

The B2B world is complex, and changing every day. Today's marketers need to keep up with the demands, and identify emerging trends before they impact efforts. Fortunately, there are a multitude of tools and resources that can help. For information on how Omniture SiteCatalyst can help you increase the effectiveness of your B2B lead generation and customer relationship management programs, please contact us at 1-877-722-7088 or visit us at www.omniture.com.

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