

EBOOK

GROWTH MARKETING AUTOMATION: THE NEXT WAVE

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Argument:

In the past, marketers have used marketing automation to streamline lead generation and manage their funnel. However, as consumer behaviors have changed, so have their expectations. Marketing success now hinges on thinking beyond lead generation and management to growing your business through great automated experiences that improve engagement across each stage of the buyer journey. Marketers who adopt this approach in tandem with innovative growth marketing platforms will outpace the competition and increase their market share through customer loyalty and brand advocacy.

Abstract:

Modern consumers are highly connected and informed. The digital revolution provides the tools they need to conduct their own research and come to their own conclusions, placing them in charge of their purchasing journey. In fact, 87% of all consumers begin their product searches online ⁽¹⁾, and B2B buyers actually spend an average of 79 days researching prior to making a major purchase ⁽²⁾.

This connectivity allows consumers to exercise unprecedented agency, but it also creates new pathways through which marketers can engage their customer base in more personal and purposeful ways. And while traditional lead generation and funnel optimization remain fundamental aspects of a carefully considered and well-executed marketing strategy, the autonomy of the modern consumer affords marketers the opportunity to move beyond these tactics to focus on innovative multi-dimensional marketing approaches that extend well beyond the limited “Attract and Capture” model. This growth-based methodology is imperative for marketers eager to deliver along the entire spectrum of the customer lifecycle — from initial awareness to the sort of product and service engagement that results in lifelong evangelism.

To succeed in this evolving landscape, however, marketers must embrace their maturing roles and adopt specialized tools to truly know their audience, understand their motivations, anticipate their needs, and develop compelling journeys that secure repeat customers who help businesses experience their desired growth at scale.

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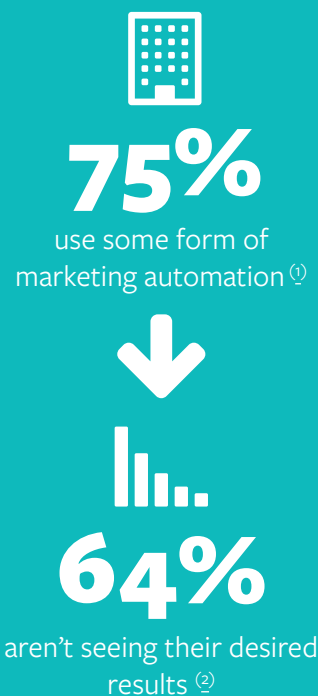
B2B buyers actually
spend an average of
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THE CURRENT STATE OF DIGITAL MARKETING

Today, most companies (75%) use some form of marketing automation ⁽¹⁾, but many of them (64%) aren't seeing their desired results ⁽²⁾. We believe this is because they're primarily using marketing automation for lead capture (61%) rather than improving customer engagement (36%). We also believe that marketers would be more successful if they could find a way to balance the two for a more holistic approach.

Let's be clear: Lead generation is a tactic, not a strategy. It is but one narrow slice of a much larger (and more satisfying) pie. Likewise, your customers are more than just leads; they're the very lifeblood of your business and the wellspring of your success. And this emerging shift in priorities — from lead management to delivering better experiences based on customer interests and preferences — has led to a significant engagement gap that must be addressed.

More specifically, there is a clear and present imperative for marketers to go far above and beyond lead generation to instead aim their efforts toward creating compelling, memorable, and valuable customer experiences that are guaranteed to help them grow their business consistently, at scale, and with far more product and service engagement.



GREAT CUSTOMER EXPERIENCES LEAD TO BETTER, MORE SUSTAINABLE LONG-TERM GROWTH

Thankfully, marketers are awakening to this new reality — namely, that consumers are taking control of their purchasing behaviors, making the customer experience a top priority for successful businesses. To underscore this evolving perspective, in 2010, 36% of companies competed primarily on the basis of the customer experience. By 2018, that number had steadily risen to 67% — and no doubt continues to increase even as you read this (3).

But how are successful companies balancing their business priorities while also focusing on delivering exceptional customer and brand experiences? Simple (but not easy) — they're shifting their approach to place the customer at the center of their efforts and execute against those same customers' needs and expectations. As proof of this shifting perspective, in 2010, only 20% of companies were investing in omni-channel customer experiences. Since then, that number has exploded and now sits at 80% (and counting).

This massive uptick is due to the fact that more marketers are recognizing and respecting the fact that they're no longer in control. According to Walker, a leading customer experience consulting firm, the customer experience has now usurped price and product as the key brand differentiator (4). As marketers relinquish their close management over the buying cycle, they're finding newfound freedom in formulating fun, persuasive campaigns that create and strengthen meaningful relationships. And consumers are embracing this new dynamic — as evidenced by the fact that 80% of all customers now say that the experience a company provides is just as important as its actual products and services. (Read that again, and commit it to memory — experience matters.)

It's clear that the best way for marketers to enter the modern age and evolve beyond the Attract and Capture model is to focus on overall brand experiences to grow their business, which naturally helps create lifelong customers and brand evangelists. And the best way to do so is through the use of modern growth automation platforms and strategies.



Experience is King

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THE GROWTH MARKETING IMPERATIVE: GO BEYOND THE LEAD TO TURN BUYERS INTO LOYAL CUSTOMERS

Around 15 years ago, companies began dedicating most of their marketing efforts toward demand generation tactics to attract buyers and increase pipeline and sales. In recent years, that focus has shifted to multi-channel initiatives dedicated to delivering better brand experiences according to holistic marketing strategies.

Both of these movements were vital at the time and set the stage for developing more relevant and targeted campaigns. Similarly, the emerging automation tools of the time did well to address and serve these strategies, even if they weren't fully optimized for customer engagement and experience.

Yet while these approaches (and certain aspects of those automation solutions) are still pivotal to successful marketing, they're no longer enough to delight every customer along each touchpoint to extend the customer lifecycle. Taking core marketing automation principles and extending them well beyond the Attract and Capture model to create and deliver personalized and immersive buyer journeys, growth marketing focuses on the lifelong needs of the consumer from a multi-dimensional marketing perspective. The focus is on using multiple channels to address every stage of the customer journey and then using that knowledge to identify strong opportunities for better engagement around your offerings and better overall brand experiences.

Therefore, marketers need to shift their thinking and their efforts toward the third wave of successful marketing — growth marketing strategies, technologies, and alignment between the two.

From initial awareness to demand generation to in-product messaging, brand advocacy, and beyond, we believe that growth marketing is the future of business success. Here are three ways that marketers can shift their thinking from dated tactics to modern strategies that improve workflow processes and drive better engagement with great returns.

1 **FROM: FUNNEL MARKETING**

Optimizing your marketing funnel is a really important part of generating new business, but can also be limiting. The most glaring issue with funnel marketing is that it's finite. It's end-point falls short of alerting you to what's actually driving your prospects and customers to engage with your brand. It's designed to convert browsers to prospects — but not much else. It signals a degree of interest in whatever you're promoting, but it doesn't always tell you who these people and businesses actually are. And if you don't know what makes your target audiences tick, you can't consistently get them excited about what you have to offer.

Another problem with funnel marketing is that it prevents you from meeting customer expectations because it presupposes that your brand is in control of the journey. When, in fact, it's the opposite. Your buyers are in control; they know they're in control; and they expect to be treated like they're in control.

So, as they hit upon multiple touchpoints while researching potential purchases, you need to meet them where they are with content and product recommendations that speak to them directly. And since funnel marketing is predicated on driving lead volume rather than revealing customer interest and intent across your digital properties and channels, it prevents you from grasping the larger story about who your customers are, what compels them to engage with your brand, and why they choose to purchase from your company.

TO: LIFECYCLE MARKETING

Lifecycle marketing is a phased and extensible approach to understanding, engaging, and delighting your customers at every stage of their journey (and back again). By tracking engagement at every stage, you can anticipate and meet your buyers along their preferred channels — extending the relationship past the point of sale to build and strengthen these connections, turning leads into buyers and buyers into lifelong brand champions.

At the outset, this means following up with prospects who haven't converted through cross-channel remarketing strategies and communicating with new leads through segmented nurture programs that greet them according to a non-invasive cadence with personalized content and messaging that gradually draws them to your brand.

91%

of consumers are likely to shop with brands that deliver personalized recommendations, so by tailoring your communications to your customers' needs, you can position yourself as their preferred and trusted brand ⁽⁵⁾.

Once you've converted your lead into a customer you can turn your attention to welcome and onboarding programs that prove that you're invested in your customers' successful usage of your

offerings. These campaigns trigger at the outset of every new customer relationship and continue to deliver useful education, tips, and tricks throughout the entire lifecycle. Based on how your customers engage with these campaigns, you can continue to optimize the programs and segment your audiences to progressively deliver more in-depth and relevant information.

Extending the customer lifecycle even further, you can develop programs that allow you to hone in on repeat customers and encourage them to become true brand advocates. Celebrate important customer milestones by directly offering exciting promotions via their social media profiles. Offer exclusive access to (or even free trials for) great new products and services through automated email programs before they're unveiled to the general public. Deliver advanced, one-to-one training modules to further customer knowledge and usage of your offerings. And execute all of these campaigns through easy-to-use, sophisticated growth marketing platforms.

To accomplish all of this, however, you need the power to understand where your prospects, customers, and users are in their respective buyer journeys and score their behaviors accurately. By segmenting individual leads and accounts based on your unique scoring models, you can pair efficient processes with targeted messaging to meet them where they are in their lifecycle.

One Act-On customer who is a great example of lifecycle marketing is TPC Training — one of America's leading workforce industrial and safety skills training firms. They're using the Act-On growth marketing platform to welcome their new customers and deliver training programs that are easy to deploy and drive remarkable engagement. By automatically placing new customers into unique segments, they're able to focus on crafting and delivering more targeted, cohesive, and timely educational programs to the right targets with the most appropriate content when they need it most. Each of these programs is built within Act-On using our conditional logic and dynamic content that easily provides tailored communications based on the recipient and their level of engagement. Not only has this growth automation approach resulted in a 10X increase in revenue for TPC over just two years, but it also saves their marketing team time and money while increasing repeat customers.



Key Takeaway:

Tactical lead generation isn't enough, because it doesn't allow businesses to glean insights into customer preferences and behavior. But by enriching and extending the customer lifecycle past the traditional funnel, you can orchestrate a more complete and compelling experience that delights your audience and positively impacts their decision-making.

2 **FROM: CUSTOMER GROUPS**

When marketing automation first arrived on the scene, it revolutionized the way we communicated with our customers by allowing us to centralize potential buyers into unique groups. These customer groupings are based on important demographics like age group, gender, income, and company revenue. Such marketing building blocks were gathered through third-party landing page tools and static web forms that failed to collect information beyond basic individual and company attributes.

Still, at the time, this helped save time and allowed marketers to scale their campaigns and relationships appropriately. Segmenting into customer groups helped marketers develop a simple understanding of who they were marketing to — especially when used at the beginning of the customer journey as marketers leveraged this information to deliver more relevant campaigns to specific targets.

What it failed to accomplish, however, was to cultivate a clear understanding of how to market to prospects and customers based on their actual behaviors, which then results in random acts of marketing that speaks to the collective rather than the individual. Now, however, instead of relying entirely on the tidbits of information you gather via traditional web forms (which, again, is a great place to start), successful marketers are empowered to go well beyond primitive customer grouping to focus on how consumers engage, behave, and make purchases across multiple marketing channels.

TO: DYNAMIC BEHAVIORAL SEGMENTATION

The next wave of automation combines baseline customer grouping with rich customer behavior insights gathered across multiple channels. These insights continue to build and develop in real-time, allowing you to consistently automate your marketing based on behavior — rather than your team's bandwidth.

And it allows you to do so at a one-to-one level so that you can scale according to the customer's needs, interests, motivations, and ambitions.

Adopting advanced segmentation methodologies helps you move beyond traditional lead generation tactics to optimize and extend the customer lifecycle at every stage in their pre- and post-purchase journey.

Growth marketers move beyond standard customer grouping to dynamic behavioral segmentation in two distinct and important ways:

1. **Using progressive profiling** to gather additional information with each subsequent conversion action. Placing dynamic and intuitive forms at key touchpoints and channels helps build on your previous data collection and places you in control of the customer journey by allowing you to ask new questions and receive new insights over time. You can then use this information to further segment your audiences and deliver campaigns that are uniquely tailored to each of your targets.
2. **Integrating your platform across your digital properties** (from your website to your digital products and services) allows you to track and analyze complex online behavior, conversion points, and purchase history in real-time. Use this advanced information to automatically segment your audiences accordingly and create automated trigger and nurture campaigns with targeted messaging and content. This ensures higher engagement rates and more opportunities, sales, and renewals.

One successful Act-On client, RLH Corporation (the engine behind Red Lion Hotels) uses dynamic behavioral segmentation to drive exceptional engagement and provide personalized customer experiences that result in more sales, loyalty, and revenue. By tracking user behaviors across their digital properties, RLH is able to group their target audiences into unique segments and deliver customized communications on behalf of more than 1,000 franchisees across 8 distinct brands. This has resulted in engagement rates of more than 50% across multi-channel strategies, improved brand loyalty, and an increase in repeat visits and customer advocacy — improving their reputation and increasing their brand's authority in the hospitality space.



Key Takeaway:

Since customer grouping lacks dynamic behavioral segmentation, it often prohibits marketers from achieving the sort of complex targeting necessary to drive better customer experiences, engagement, and attachment. Conversely, with dynamic behavioral segmentation, you can deliver targeted communications that align with customer expectations at every stage in their journey. Most importantly, you can evolve and improve these programs over time as you gather more data to better understand your customers' interests and preferences.

3 FROM: LEAD NURTURING

As with most of what we're covering in this eBook, it's not so much that lead nurturing can't be effective. Rather, it's that lead nurturing doesn't do enough to satisfy your prospects and customers — and can limit your company's growth potential. This is because it's mostly focused on addressing the needs of your leads, which are just one segment of your valuable and diverse customer base. In addition, lead nurturing is limiting because, traditionally, it's one-dimensional and linear rather than multi-dimensional and divergent.

When most marketers talk about lead nurturing, we're usually talking about email drip campaigns. Without the ability to build conditional logic and deliver dynamic content based on engagement, lead scoring, or behavior, these campaigns remain static and aren't suitable to meet the expectations of each individual customer segment. Lead nurturing assumes that the relationship ceases at the point of sale instead of fostering the customer further along in their journey and encouraging brand loyalty and sharing their brand affinity with their personal and professional networks.

TO: EXPERIENCE NURTURING

The next phase of marketing automation will be defined by your ability to design highly personalized customer experiences that endear your target audiences to your brand. Rather than focusing on a static set of messages through a single channel or stage in the buyer journey, experience nurturing provides a layered, contextual framework for delivering meaningful and enticing brand and product messaging — the kind of messaging that endears customers to your offerings while placing them comfortably in the driver's seat. And since it's a behavioral-driven approach, you'll always be prepared to deliver what they love because you'll be better positioned to anticipate their needs.

The point of using automation to nurture experiences is to create more vibrant and authentic connections with your customer base. Personalized experience nurturing can increase engagement by 57% and drive 63% conversion rates (6). So, prove to your audience that you understand their needs and interests by delivering on their behavioral cues and supporting all of their buying decisions. Do this with intuitive content, product, and service recommendations across social media, inbound content marketing, automated email programs, and even SMS and in-product messaging. By matching their interests with your offerings, you strengthen bonds and extend relationships that go far beyond a single transaction.

As a good example of experience nurturing in action, Madrona Financial Services (one of the Northwest's leading financial services firms) is fiercely dedicated to providing memorable customer experiences. Working within the Act-On growth marketing platform, they've segmented customer type and behavior to deliver high-performing experience nurturing campaigns with built-in conditional

MADRONA CUSTOMER SUCCESS STORY



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logic and dynamic content geared toward their most engaged audiences. This means they never provide any irrelevant communications or messaging and that their campaigns are always specifically tailored to the end-user for an optimal experience. They're not stuck playing the guessing game and are able to execute based on customer interests rather than corporate instinct. This well-oiled machine has helped Madrona achieve maximum online engagement (which further fuels each customer experience) and a massive 1,000 increase in sales over the last five years.

Key Takeaway

Lead nurturing is important, but it's too limited to meet modern consumers' expectations. Instead, take your efforts to the next level with experience nurturing. By tracking behaviors and preferences, you can treat each customer like a unique individual as you learn more about what motivates them to action. Once you start empathizing with your customer base, you can start nurturing their entire experience rather than their lead status.

GROWTH STARTS WITH GREAT EXPERIENCES

Lead generation, demographics, and nurturing will always be a point of emphasis. But since your customers now value the experience you provide as much (and, in some cases, more) than the products, services, and solutions you offer, you must go further.

Pairing proven growth marketing approaches with emerging growth marketing automation solutions is a critical one-two punch that enables you to better understand your customers. This knowledge provides the opportunity to anticipate their needs and actions, allowing you to meet them head-on at every stage of their buyer journey, so that you can exceed their expectations and turn them into loyal and vocal brand evangelists — in turn, driving even more customers to your site and storefront.

This nimble approach allows you to focus on the most immediate and lucrative areas for significant growth. In some cases, this might be lead awareness, generation, nurturing, and management. In others, it might be driving better product adoption and usage for improved customer retention. And, in still others, it might be sparking great engagement around new product and service launches. Whatever the case, growth marketing strategies and platforms help you build and strengthen lifelong customer relationships that lead to loyalty, advocacy, and, ultimately, evangelism.

As you continue to plan and execute your marketing strategies, we encourage you to think more holistically about how you can delight your potential and existing customers at every stage of the buyer journey.

To learn more about our new and improved platform, [please click this link](#) or visit us at [Act-On.com](#). We can't wait to show you what we're made of!

Growth marketing is the third wave of marketing automation, and the Act-On platform, support team, and community are here to help you implement effective and efficient strategies.



ABOUT ACT-ON SOFTWARE

Act-On Software is the world's growth marketing leader, offering solutions that empower marketers to move beyond the lead and engage targets at every step of the customer lifecycle. Act-On makes customer data actionable so marketers can strategize smart, effective solutions to grow their businesses and generate higher customer lifetime value – all with the fastest time-to-value.



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