

Lead to Revenue Management

How To Move E-Commerce from Good to Great

Avangate Webinar Featuring Gartner Analyst Chris Fletcher

Sept 17, 2013

The Avangate logo is displayed in a red, lowercase, sans-serif font. The letter 'a' is stylized with a diagonal slash through it.

Today's Speakers



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Lead to Revenue Management: How to Move E-Commerce From Good to Great

Chris Fletcher

Research Director,
Enterprise Applications

Search, Social, YouTube — Who Needs Lead Management?



500,000,000 tweets/day (2012)



4 billion hours of video/month

500 years of video/day
(on Facebook alone)



9.0 billion comScore
page views/month (2012)



Google: \$46 billion in
revenue in 2012; \$43+
billion from advertising

Lead Management: A Definition

Lead Management: A Definition

Lead management processes take in unqualified contacts and opportunities from a variety of sources, including Web registration pages and campaigns; direct mail campaigns; email marketing; multichannel campaigns; database marketing and third-party leased lists; social CRM and social networking sites; and tradeshow. The output of lead management processes — qualified, scored, nurtured, augmented and prioritized selling opportunities — are handed off to direct, indirect or e-commerce sales channels for action and closure. Lead management integrates business process and technology to close the loop between marketing and direct or indirect sales channels, and to drive higher-value opportunities through improved demand creation, execution and opportunity management. CRM lead management can be used in B2B, B2B2C or B2C CRM processes.



Lead Management: Key value-add

B2B, B2C, or
B2B2C

Repeatable
processes, BPM
enables Up-sell &
Cross-sell activities

Frictionless Sales:
E-Commerce, Mobile App, &
automated sales processes

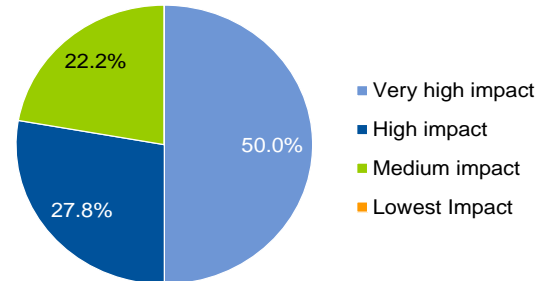
E-commerce integration improves the
experience, reduces cost

Automated processes create a frictionless
marketing/sales environment

Up-sell/cross-sell capabilities provide
valuable, incremental revenue

Empowers B2B, B2C, & B2B2C business
models

Research From Magic
Quadrant on Lead
Management 2013:
High Impact



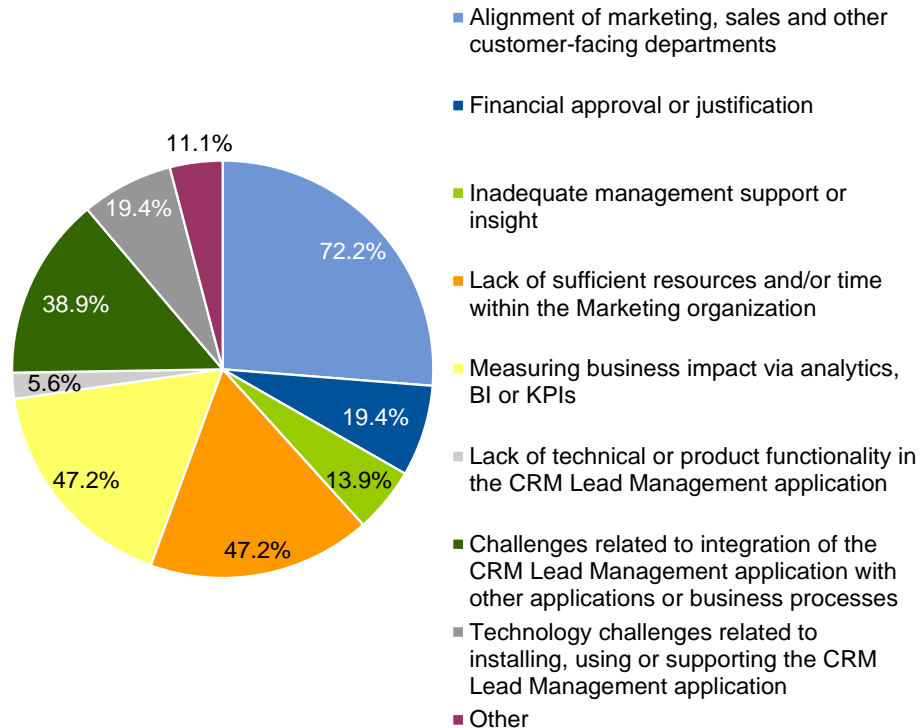
Challenges

Alignment of marketing, sales and other customer-facing departments

Lack of sufficient resource/time in marketing organization

Measuring business impact via analytics or KPIs

Integration of lead management with other applications or processes



Move From Good to Great: Organization

Driving revenue and customer acquisition

Organizational alignment & Channel conflict

Analytics and KPIs to measure performance, contribution

Technology and integration of E-Commerce, Mobile, Social

Iterative improvement



Strategic Guideline:

Do not expect technology by itself will solve your revenue and customer acquisition challenges. Encourage and invest in organizational alignment between sales, marketing and IT to maximize both marketing ROI and customer experience.

Moving From Good to Great: Channels

High-priority channels

- Email marketing (88%)
- Web and e-commerce (73%)
- Search marketing (64%)
- In-person events (58%)
- Digital marketing/advertising (57%)
- Social sites (57%)
- Third-party customer data (50%)
- Print on demand (50%)



Strategic Guideline:
Leverage all channels — digital and "traditional" — to maximize your lead management ROI.

Source: Gartner's 2012 "Magic Quadrant for CRM Lead Management":
"What is the relative importance of each of these marketing channels to the overall success of your lead management initiatives?" with more than 50% answering "High."

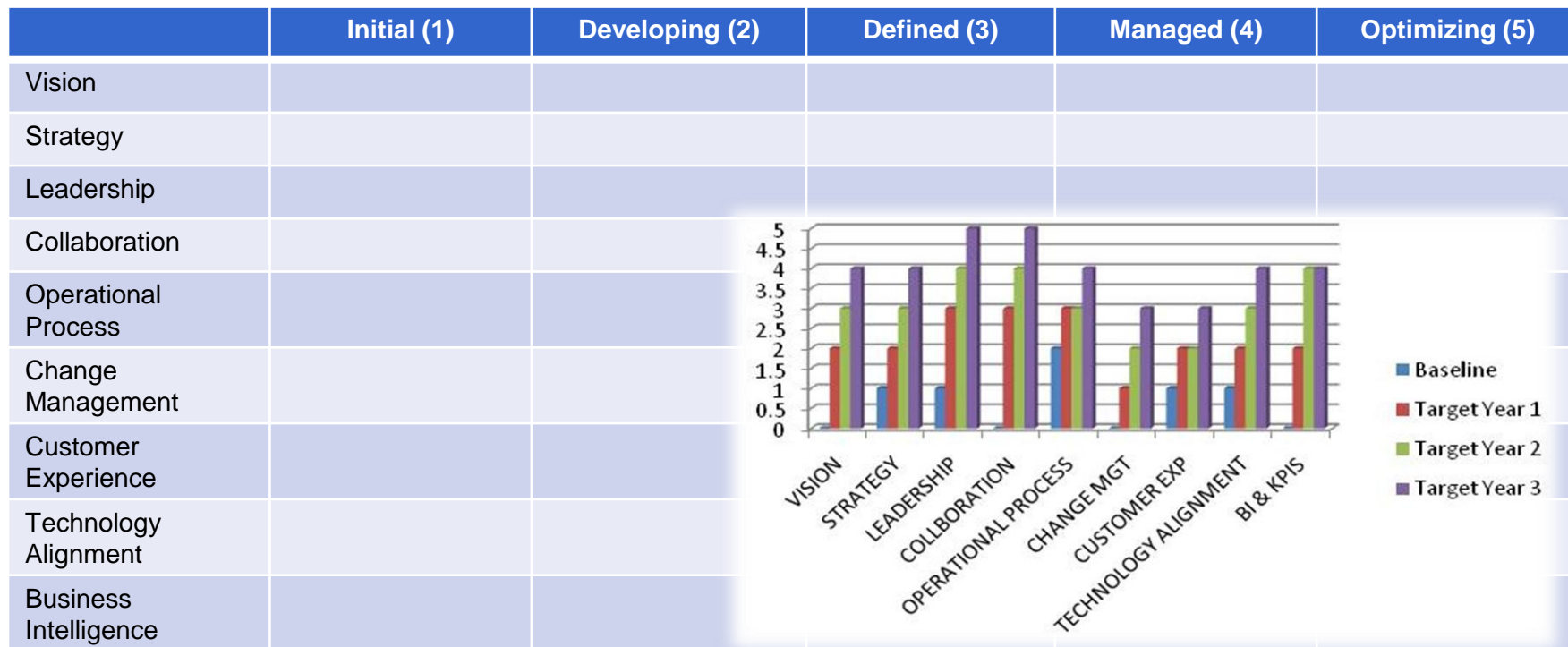
Moving From Good to Great: Analytics

**Analytics,
Management
Dashboards
and KPIs**



Strategic Guideline:
Build Tactical and strategic KPIs to measure lifetime lead/customer value, to monitor pipeline volumes and to quantify marketing's contribution to the top line.

Moving from Good to Great: Maturity Model



Source: Toolkit: Use Gartner's Lead Management Maturity Model to Assess Lead Management Capabilities (8 November 2011)

Porous Boundaries

Lead management moving into B2C marketing

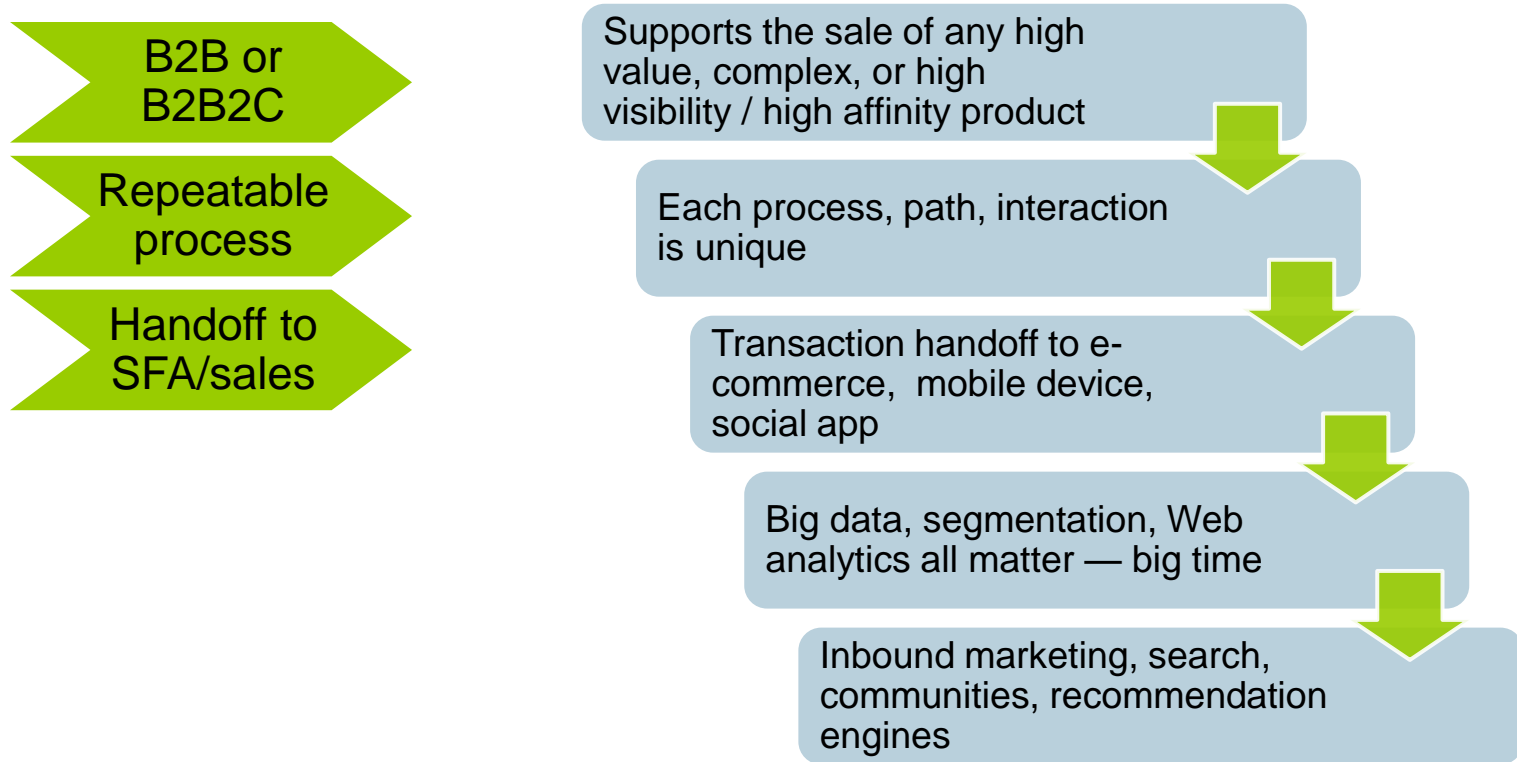
Becoming less structured, more interactive and personalized

Integrated with/dependent on campaign management, big data and analytics

B2C organizations adopting B2B best practices for higher-value products

Digital marketing, modern marketing, revenue performance management

Lead Management (R)Evolution



Recommended Gartner Research

- ➔ **Magic Quadrant for CRM Lead Management (2013)**
Chris Fletcher (G00247202)
- ➔ **Toolkit: Use Gartner's Lead Management Maturity Model to Assess Lead Management Capabilities**
Chris Fletcher (G00217740)
- ➔ **Minimize Risk and Maximize Value During a Marketing Vendor's M&A Transition (G00254169)**
- ➔ **How to Understand the Criteria for the 2013 CRM Lead Management Magic Quadrant**
Chris Fletcher (G00248381)



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Gartner®

Lead to Revenues Realization

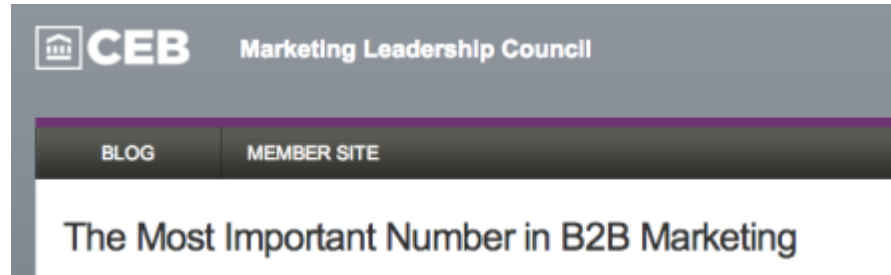
Michael Ni

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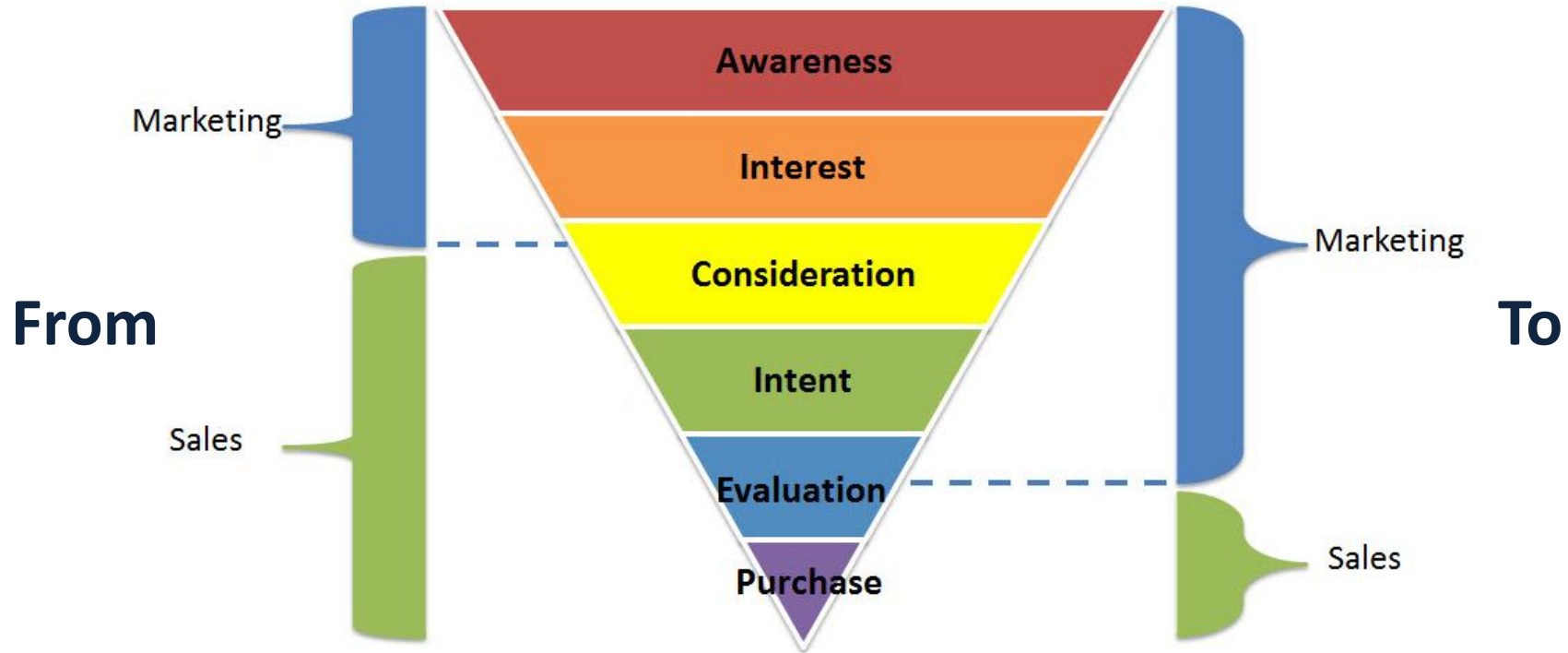
Commerce in the Digital Age

You Are No Longer in Control

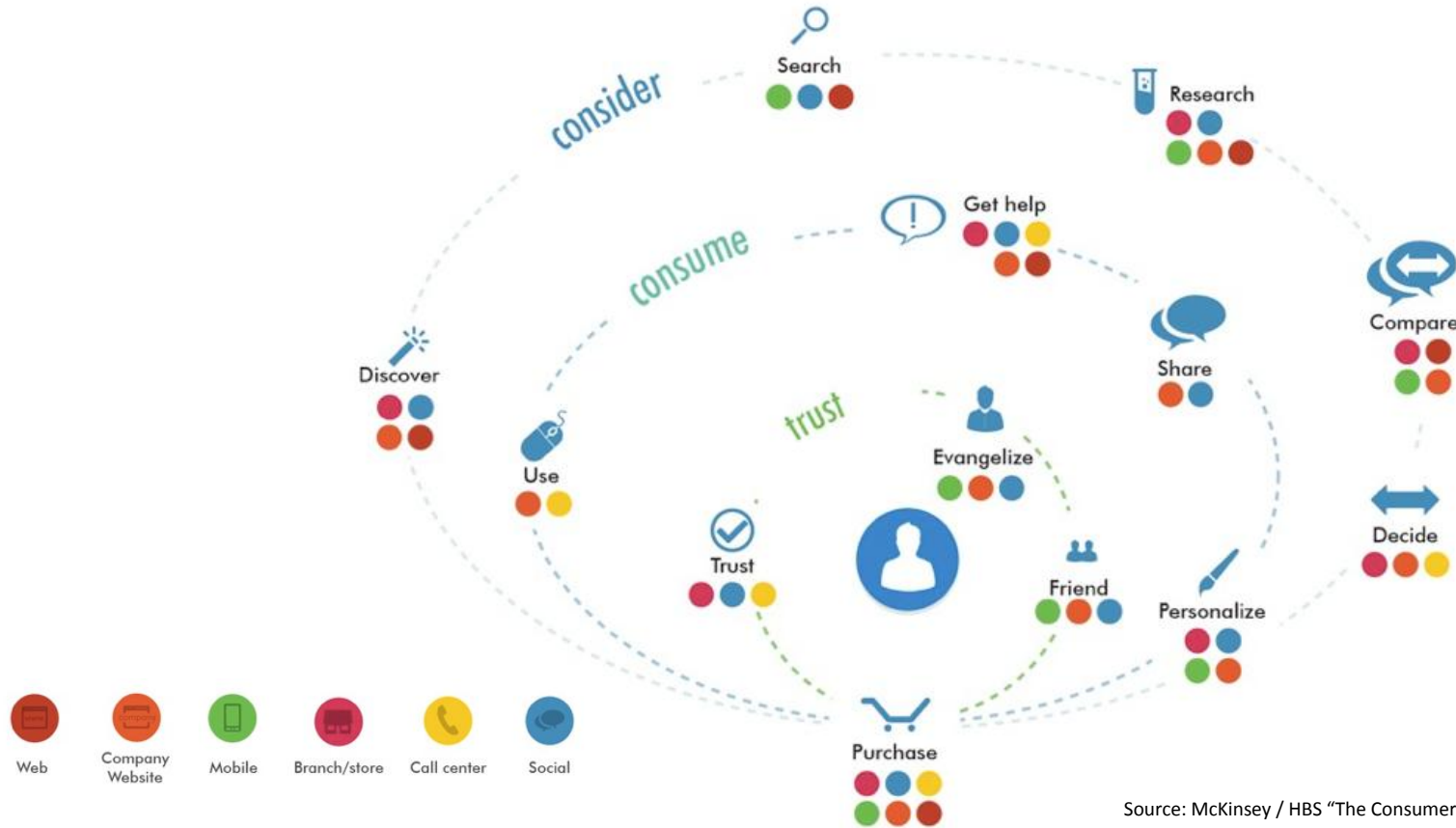


“...customers will contact a Sales rep when *they independently completed* about **60%** of the purchasing decision process.”

Changing From The Old Way



The New Way – On Demand, Interactive



Source: McKinsey / HBS "The Consumer Decision Journey", 2009, Forrester, 2012

The New Way – On Demand, Interactive

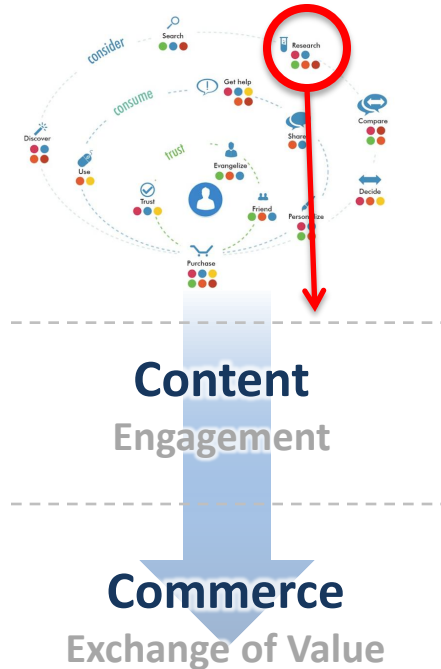


Question – how to turn engagement and demand for interaction into Moments of Truth ... decisions?

Forrester, 2012

Lead Conversion Process – The Question

Exchanging Value. Everywhere, Interactive, Valued.



- From customer-driven **Touchpoints**
- To Engagement around **Content**
- Ultimately about about the **Exchange of Value**

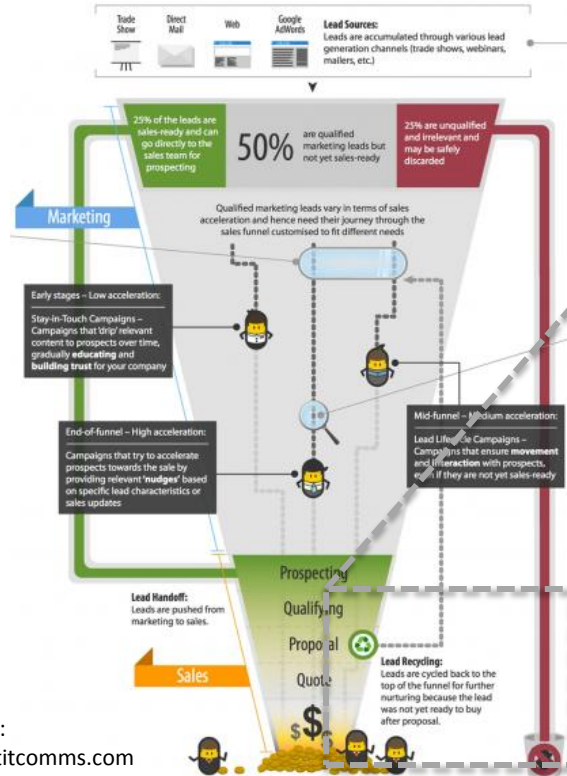
... Monetary, as well as non-monetary
... online, direct sales, partner reseller

BUT

*... How to make decisioning **frictionless**?*

Lead Conversion Process – The Problem

Leaving Money On The Table



Leads are *cycled* back to top of the funnel for further nurturing because the leads were not yet ready to buy what was proposed.

BUT

...What If They *Never* Convert?

The Avangate Perspective

Stop Leaving Money on the Table – 5 Steps to Success

1

Marketing/Lead Automation is the first step

2

Integrated **Online Self-Service (eCommerce)** next

3

Usage-Qualified Leads (UQLs) > MQLs

4

eCommerce as an **upsell to Direct Sales**

5

Automate **Renewals** across all your channels

Integrated Online Self-Service Next

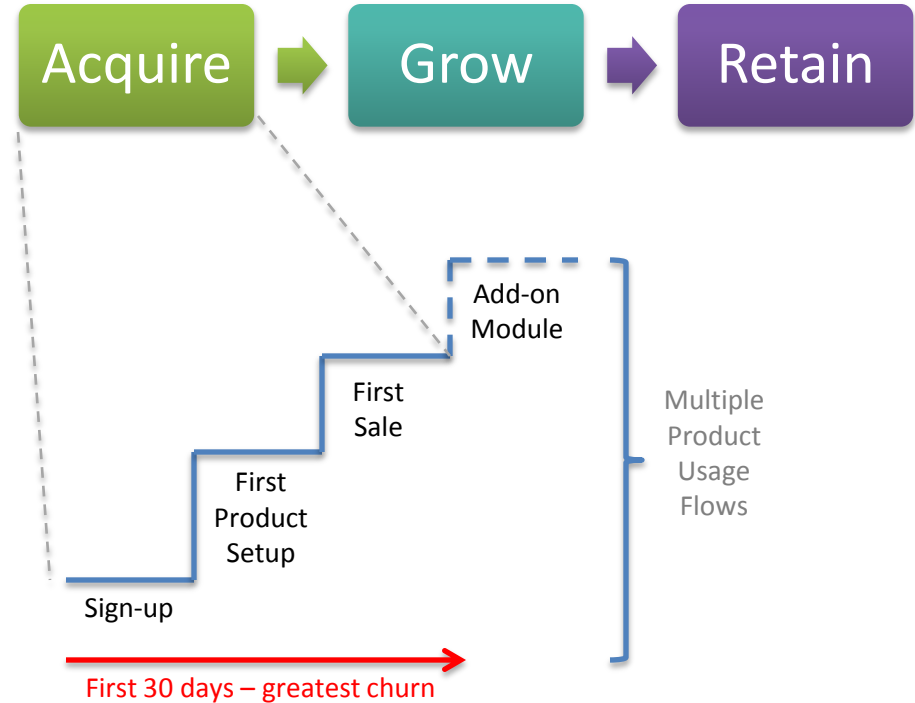
Enabling New Lines of Revenue with B2B eCommerce

- **Capture self-service customers** and monetize leads that will never convert with current offers
 - Rethink who are your customers
 - Ability to support new business models – subscriptions, fractional ownership
 - Launch new products / new revenue models
- **Broaden pipeline to Direct Sales**
- **Leverage the best of B2B and B2C practices**

Usage-Qualified Leads (UQLs) > MQLs

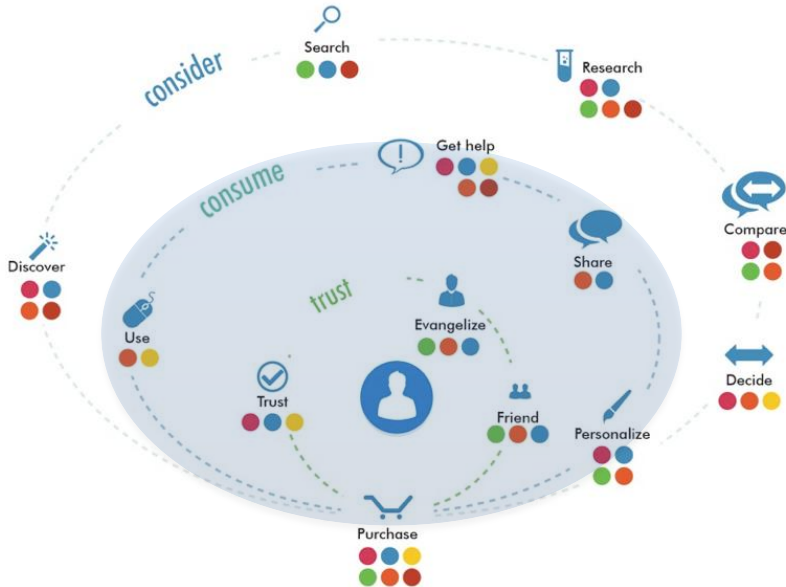
Leveraging Data To Engage At The Right Time

- Map meaningful **events** in **customer lifecycle** ...
- ... **not just how to sell the first time**, but how to keep growing and retaining
- Need to **execute at scale**
- **Rethink** product packaging, pricing, when does sales actually start



Ecommerce As An Upsell To Direct Sales

Drive Sales Efficiency With Commerce-Enabled Selling



- **Match** with how customers “Consume” and “Share” ...
- ... And that certainly **does not always mean speaking with a sales person**
- **Rise of Digital Goods and “X” as a Service** only accelerates this trend
 - Products as an excuse to sell services
 - Partner ecosystems
 - Increase total value of your solution

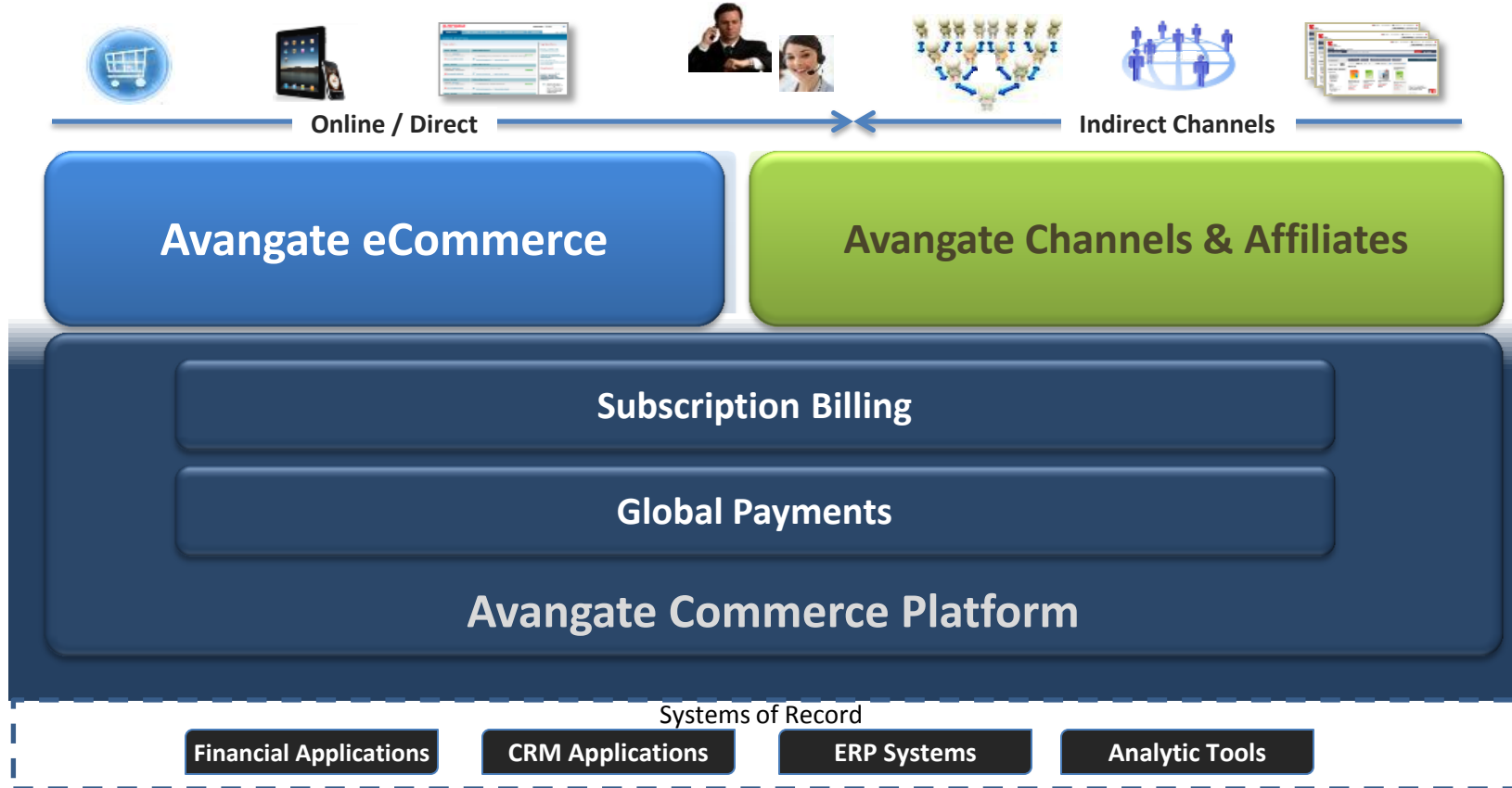
Automate Renewals Across Your Channels

Drive Growth and Retention Across Your Entire Ecosystem

- **Channel control important** in a commoditizing world – not just sell, but retain within customer's original context and value add
- **Same types of tools** to enable self-service discovery, frictionless add on and renewals, lead generation / triggers
- **Channel-friendly:** Leverage power of online self-service with reseller lead reminders, commerce and account support, attribution and payments



Rethink Commerce: The Avangate Platform



ABBYY® Digital Scanning and OCR Solutions

Context

Background: ABBYY's recognition technologies and products help people manage the increasing amount of information with digital scanning products.

Objectives:

- **Agility:** ability to self-service to launch new promotions, pricing, products
- **Better Marketing Control** for new promotions / NPI
- **Cost Reduction:** free up budget

Challenge

Reduce eCommerce costs of legacy approach across contract costs and manpower to maintain and extend

Few internal dedicated resources combined with resource intensive platform

Required a scalable solution with Deep Commerce and Marketing Capabilities

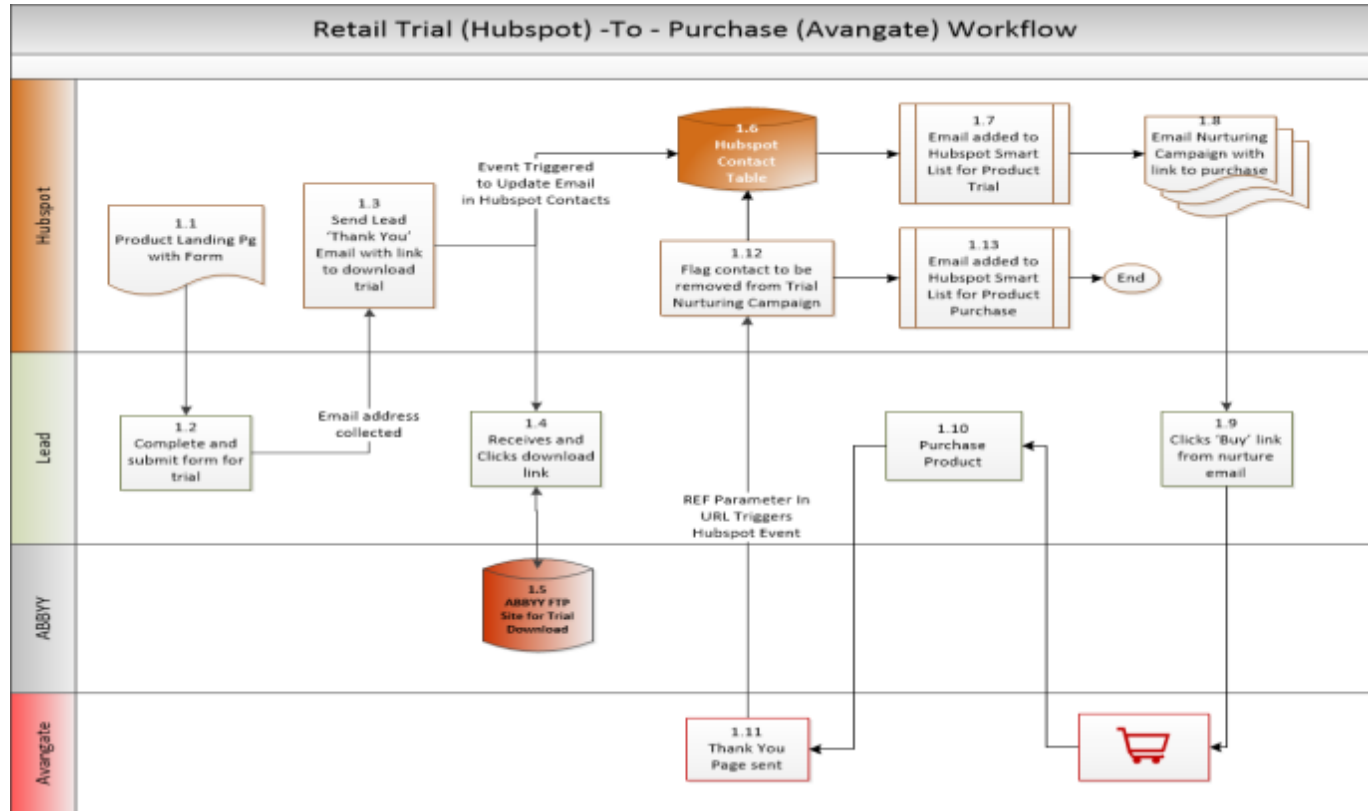
- Regional Pricing and Purchase options
- Extensible commerce platform
- Affiliate Network and Platform
- Options for Partner Management

Solution

Integrated Commerce solution for localized online eCommerce, optimized storefront, affiliate distribution & services, streamlined product catalog, switch to real-time physical manufacturing & fulfillment

Integrated Commerce – Marketing Automation with HubSpot to tie lead nurturing and Avangate SkyCommerce with initial focus on Trials

Integration with Marketing Automation





Next-Gen Cost Estimation Tools

Context

Background: Sigma Estimates is spreadsheet-on-steroids cost estimation solution for their audience of contractors, engineers and architects.

Objectives:

- **Maximize Conversion:** Ensure customer signups rate at a massive scale
- **Focus on customer engagement with content:** Follow customer journey closely within the first few weeks of signup.
- **Increase profitable revenue** experimenting with pricing models and bundles

Challenge

Overly Simple Sales Funnel not keeping pace with the complexity of new demand channels – working with brands such as Autodesk, RSMeans, etc., even as Marketo was used for landing pages and custom sign-ups from these brands.

Support Custom Flows at Scale. Wanted to provide a close customer experience in the first few weeks, with training and support resources for easy signup.

Diversify its pricing models. Growth strategy called for the ability to offer multiple license models for freemium, subscriptions and upsell/cross-sell.

Solution

New Online Process: Moved from manual current solution for follow-ups, etc. → automated response, engagement, transaction either self-service, or direct sales

Total Revenue Automation
Integrated Marketing + Commerce Solution

- Automated event triggers
- New Upsell / Cross-sell paths establishing new revenue streams
- Better control and visibility

Embracing Lead To Revenue Management

Takeaways

- **Individual** is at the center
- **Lead to revenue management** critical for B2B and B2C to ensure that you are not leaving money on the table
- **Automation** is fundamental – engagement, self-service, personalized
- Need to **Rethink Commerce**: transact at every customer touch point, optimize new business models, reach new markets
- **Continuous experimentation** is the only constant – approach, offering, promotion, market, geo

Embracing Lead To Revenue Management

What Should You Do Tomorrow

- **Start** with reviewing your lead management approach
 - Who is involved with, or has a vested interest in, improving lead management and commerce
- **Introduce self-service** to your marketing & servicing strategy
 - Engage sales to communicate the value of lead management and understand sales requirements for volume and value of leads, and quantify today and tomorrow potential impact
 - Identify and prioritize channels today, next 3 years
- **Download whitepaper** on Lead to Revenue Management ([Download Now](#))
- **Join the conversation** around C³ – avangate.com/blog
- **Rethink Commerce** to begin to map your business platform

Thank You!

Do not hesitate to contact us for follow-up or questions at marketing@avangate.com

For more information on Avangate and SkyCommerce, please visit www.avangate.com

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