When You Have a Sales or Marketing Problem, You Have Lots of Choices. We Think That's the Problem.

By Jeff Josephson

Whether you're a small business owner or an executive at a Fortune 1000 company, your choices for marketing in the B2B sector today can easily seem like "too much of a good thing." Whereas your options used to be print, broadcast, tradeshows or PR, today there are literally hundreds of different tactics, from thousands of different vendors, to choose from, a small fraction of which are illustrated below.

Figure 1 - A Few of the Hundreds of Tactics Available for B2B Marketing

Making matters worse, of course, is the decision between using in-house versus outsourced resources, the hundreds of options for supportive technology, and the scores of alternatives for Sales integration. This results in what, for most companies, is a highly risky and potentially very expensive morass of choices.

To be sure, while large businesses can easily afford to test a hundred different tactics and hope that two work, the small-or-midsized business (SMB) owner just as clearly can't. And that's a big problem. The SMB can quickly go broke trying to figure out what works, and how to make it work for them.

There are several ways to look at the issue in order to understand why this is such a big problem. But, first, it's important to have some context if you're ultimately going to avoid failure.

Framing the Issue

Specifically, it helps to note that many marketing professionals differentiate the tactics that are available for B2B marketing according to where they fall on the spectrum of "lead generation." That is, some marketing tactics are explicitly designed to produce qualified appointments (e.g. cold calling), while others are designed just to create awareness (e.g. branding) and leave the responsibility for generating appointments to someone else. We think this differentiation, however popular in the industry, sets up a false choice. And it's one that gets a lot of people into a lot of trouble, right from the get-go.

Figure 2 - The False Choice between Marketing Tactics

The problem starts with the definition of a "sales lead," which actually has a bit of a history. Specifically, back in the 1990s when the Internet was first coming on the scene, one of the big mailing list providers started promoting what they were selling as "sales leads," which had traditionally been defined as:

> "An appointment with (or, at least, an introduction to) a decision maker who has a qualifying need for your product or service, and who is willing to talk to you about how you can help."

To anyone in Sales (or to anyone who's seen the movie "Glengarry Glen Ross") defining a mailing list as "sales leads" was an immodest promotional sleight-of-hand. But it was ultimately one with a pernicious long-term impact. By dumbing down the definition of a sales lead, it opened the floodgates to all sorts of other redefinitions of the term. Much to the dismay of the salespeople who genuinely need appointments, today the term includes everything from clicks, to views, to impressions, to Webinar attendees, to responses, to email addresses, to form fills, and dozens of other pieces of data – most of which provide the salesperson with little benefit, but which unfortunately also serve to improperly, and often fatally, legitimize the marketing methods, people and budgets used to generate them.

This redefinition reached its nadir with the advent of Inbound Marketing as a commercial virtue. Analogized by another movie from the period, "Field of Dreams," that featured the line "If you build it, they will come," Inbound Marketing has perverted a venerable advertising concept ("Put as much stuff out there as you can, and hope someone responds") by elevating hope to strategy. Today, the number of companies with their hands out waiting to take, and waste, your Inbound Marketing dollars exceeds only the number of your competitors who have more money than you to spend on it.

Of late, an entire mythology has sprung up around Inbound Marketing. For example, there's a so-called study by one Inbound Marketing vendor purporting that "57% of the decision process is done before a prospect ever talks to a salesperson." Despite the fact this assertion has been thoroughly debunked, it persists in the canon. Content marketers conveniently ignore the fact that the more content they produce, the more cluttered is the very media they're trying to penetrate, while Content Management companies conflate activity with results. Response rates for email marketing campaigns have more digits to the right of the decimal point than the left, and redirects to the spam folder are the default. But the worst offenders are the Search companies who insist that, if you pay more per-click, or just choose the right keywords, your phone will ring off the hook – setting up nothing more than an arms race where the only winners are the Search companies.

The Search situation is made worse by the fact that, while it may be reasonable to expect a *consumer* to search for solutions, the idea that most *businesses* even know what their needs are, particularly when it comes to innovative solutions, is absurd on its face. Decision makers are busy running their businesses. They're not trying to figure out how to spend disposable income that they don't have, on problems that they even don't know they have.

Getting back to framing the problem, though, the idea that you're somehow forced to choose between "creating awareness" and "generating qualified sales leads" ultimately comes down to a failure of imagination – specifically an inability to understand how to actually make marketing programs work. This is illustrated by the fact that, rather than force their tactics to be accountable for lead quality, both the vendors who sell Inbound solutions and the Marketing Managers who buy them often simply obfuscate the issue with lead scoring systems. And they justify the limitations of their tactics by pointing to other elements of the marketing mix that are, conveniently, not their responsibility. Or they point to the Sales function that should be picking up the slack, but which unsurprisingly can't. In most cases, rather than figure out how to fix the problem, they wait it out. But it's no wonder there's so much turnover in the industry.

As you can start to see, this issue of having too many choices, particularly when so many tactics allow managers and vendors to duck accountability, can have a real and negative bottom-line impact on companies both large and small. The fact is that you can invest until you're blue in the face, and get no return in return, all while pages are torn off the calendar and opportunities are missed. And while it's certainly okay to justify SEO or content or a Website or even advertising on the basis of "it's just something we have to do," unless your tactics are designed specifically to generate qualified sales leads, most companies won't meet their revenue goals. Time will run out. And you'll be on to your next venture – if you're lucky.

The Problems with Having So Many Choices

Given the problem is having too many tactical choices, most of which fail to generate qualified sales leads, we can now look dig a level deeper.

Problem #1: Choose at Your Peril

The first problem with having too many choices should be obvious: Given limited resources, which one(s) should you choose? If you guess wrong, you might not have enough money to stay in the game.

This leads to the question of whether the person making the decision about what to do actually knows the right answer, or at least has access to information that will provide the right answer. And this is where where most decision makers run into trouble.

Part of the problem is that many business owners are confident and convinced of their own omniscience. But with hundreds of marketing tactics available, and each one implementable with any of a dozen different positioning strategies, using either in-house or outsourced resources, how likely is it going to be that you're choosing the right ones? Before you answer, consider the fact – and it is a demonstrable fact – that *there is no proof that any particular marketing tactic will work within any particular strategy for any particular business*, and it becomes clear that we're operating in the realm of risk mitigation at best, not formulaic growth.

Note as proof that, if there were a formula for marketing success, everyone would be doing it, and they would be making an unlimited fortune. It's why your bank is in the business of lending money for a risk premium, and you still have to co-sign the note. And it's also why guarantees from most marketing companies have more holes than a block of Swiss cheese. Marketing risk is generally the #1 risk that most businesses have, because most marketing investments have a negative return.

The most common solution to this lack of omniscience, of course, is "decision by committee." But this turns out to actually compound the problem, rather than fix it. This is because, if any one person has a low probability choosing the right tactic, the chances are high that the consensus view – which is both subjective and more dependent on the advocate's persuasiveness than their "correctness" – will be lower rather than higher. (Setting aside the statistical proof, just recall the definition of a camel: a horse designed by a committee.) Unless you have someone on the committee with experience and training in both field sales *and* marketing, there's little chance that they will actually know what they're talking about. That's just the dirty little secret of B2B marketing.

As another data-point, consider the recent meme in the media about women's opinions being treated dismissively by men in meetings. While this is an obvious problem of gender bias in consensus forming, it is also a clear illustration that consensus is not necessarily an improvement over autocratic decision making, particularly in marketing. The fact is that the best one can often do with consensus is to insure that the blame for failure will be evaded, not that the probability of failure can be minimized.

Despite this, evidence suggests that the consensus approach is used in the vast majority of cases, supported occasionally by input from the various vendors and consultants. Which brings us to the next problem.

Problem #2: If All You Have Is a Hammer, Everything Looks Like a Nail

This simple aphorism neatly illustrates the problem that the tactics that are recommended depend almost always on who you ask, rather than being based on what might work. That is, if you ask a telemarketing company what you should do, they're going to tell you that you should do telemarketing. If you ask an SEO company what you should do, they'll tell you to do SEO. And if you ask a trade show if you should exhibit, they'll tell you that you should. It's a simple self-fulfilling prophecy.

Ironically, this puts the blame for failure squarely back on the person asking the question. Making matters worse, if you ask providers of ten different solutions for their proposals (knowing that they're going to recommend themselves) you're now stuck comparing apples to oranges. That is, how do you compare a trade-show lead to a click, or a telephone appointment to a like? The vendors can make their own case, of course, but now you're back to relying on your gut to choose.

You could, of course, bring in a consultant, substituting their wisdom for yours. But unless you're willing to accept the unpleasant truth that no single solution will suffice, you're no better off than you were before.

Problem #3: The Branding Paradox

This leads to the third problem arising from having too many choices. Specifically, it turns out that it's almost impossible to express a common positioning for your business across multiple marketing tactics, a problem that we refer to as the "branding paradox." This is illustrated in the diagram below that shows the challenge of expressing the same "value proposition" across multiple media and marketing tactics. This is particularly difficult if your marketing tactics are provided by multiple vendors. But it occurs even when using in-house resources. To be sure, we've seen hundreds of cases where a client with just two marketing tactics expresses two completely different, and conflicting, value propositions in them!

Pa**y**-per-click
SE**O**
Word-of-Mo**u**th
Webina**r**s
Ad**v**ertising
Br**a**nding
Cold cal**l**ing
Co**u**pons
Ref**e**rrals
Channel **P**artners
Netwo**r**king
S**o**cial-Media
Cross **P**romotion
Bl**o**gging
Sea**s**onal
All**i**ances
Da**t**abase
Mob**i**le
Radi**o**
Telemarketi**n**g

The Branding Paradox invariably results in wasted time and money. But what makes the Branding Paradox even more problematic is that, in general, the attributes used for branding are almost always driven from the "top down," i.e. based on how management would like the company or solution to be perceived, rather than based on what actually works in any given "bottom up" tactic. For example, we might want to be perceived as "the one-stop-shop for all your B2B sales and marketing needs," but you'd be hard-pressed to find it in all of our sales aids and collateral material – and we actually know what we're doing!

Of course, while large companies often have the resources to drive a viable branding message into their individual marketing tactics, they often don't do it because of stove piping. But the typical SMB almost never does it because it can be very expensive to develop and hard to implement. As a result, the message never gets reinforced, the strategy gets diluted, and the initiative fails.

What's the Solution?

While the situation can sound grim, we think it points to an obvious solution. But let's summarize the challenges:

1. You need to generate qualified sales leads, and not just create awareness.
2. You need to embed accountability throughout the sales and marketing program. This doesn't mean risk sharing (i.e. having "skin in the game"). It means measuring all tactics within both the sales and marketing functions in terms of their direct impact on revenue.
3. You need to express a common and effective branding theme, typically based on your value proposition, through all of the tactics within your sales and marketing programs.

The first point above suggests that you center your marketing program on lead generation, and then support it with awareness, rather than the other way around. Lead generation is the heart and soul of B2B marketing. It's the critical (albeit often missing) link between Marketing and Sales. But more importantly, note that while you can tack awareness campaigns onto a lead generation campaign, it is virtually impossible to do the reverse.

Regarding the second point, understand that imposing accountability on someone doesn't increase your or their probability of success. Beyond the fact that "you catch more flies with honey than with vinegar," what matters most is figuring out exactly how a dollar invested in a particular tactic translates into a dollar (or more) of revenue. In other words, accountability isn't the bludgeon or the reward, it's the algorithm that shows how a particular tactic bends the revenue curve.

Finally, it's critical that you understand why someone should buy from you, as opposed to doing anything else with their money. Decision making in B2B is generally rational, and so you need to show that buying from you is the rational choice. And you need to express it though all phases of the Attention, Interest, Desire and Action (i.e. AIDA) cycle.

For large companies with lots of resources and professional management, addressing these issues is usually a matter of will. For the SMB, however, there is no choice but to outsource, which is why we built LeadGen.com.

The One-Stop-Shop Option

Having worked with hundreds of B2B companies over the past 25 years, we've come to the conclusion that the best model for solving these problems, on a fully outsourced basis or as an adjunct to a partial in-house program, is with a one-stop-shop, i.e. a vendor that can provide (or coordinate) every tactic needed to create an effective marketing and sales program.

A one-stop-shop (or a large company CMO who manages in this manner) insures that market research will discover why customers do, or should, buy from you. It can uncover needs, and put together your Economic Value to the Customer Model. It can articulate a consistent value proposition in any of a hundred different and complementary tactics. It can build-in accountability. And it can generate qualified sales leads that your salespeople can close – so you get the ROI you're looking for.

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For more information on how LeadGen.com can help grow your business, contact:

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