



Does Marketing Automation work for B2C?

How you can benefit by automating your B2C marketing.



Contents

1

A Introduction	2
A Background	3
A The revolution in online B2C businesses	4
A Understand the marketing lifecycle	5
A Marketing Automation	6
A Think big, but start small	7
A To get the best out of Marketing Automation	8
A Conclusion	9
A About emarsys	10



Introduction

In today's financial climate, with traditional retail businesses facing new challenges every day, it is more important than ever for marketers to engage on a more personal basis with their prospects and customers.

In any economic downturn, marketing budgets are among the first to feel the squeeze and the drive to deliver a higher return on investment becomes paramount to survival. This dilemma is familiar to thousands of marketers who face it on a daily basis, with the expectation to do more with less: a holy grail which many fail to achieve.

Email marketing has long been seen as a low-cost, easy-to-implement solution, but one which is in danger of becoming a double-edged sword as recipients are oversaturated with content. The recipients in their turn have become much more selective in what they choose to receive, and through which channel they receive it. The trick for marketers now is to make their content relevant enough to make it past all this filtering, and the answer to this is marketing automation.

However, for small and medium-sized businesses, and even larger B2C companies, a first foray into marketing automation can be quite daunting. A simple Google search will bring up primarily high-end, expensive solutions which all seem to focus above all on lead scoring: converting interest into a first sale. For the thousands of online businesses looking to exploit new customers after that first sale, this looks like it's missing the point. But it's not; it only seems that way.

This bias towards the low-volume/high margin B2B model is easy enough to understand when you look at how marketing automation evolved. In this paper we aim to help you look past the sales speak and find how marketing automation can help your business.



Background

3

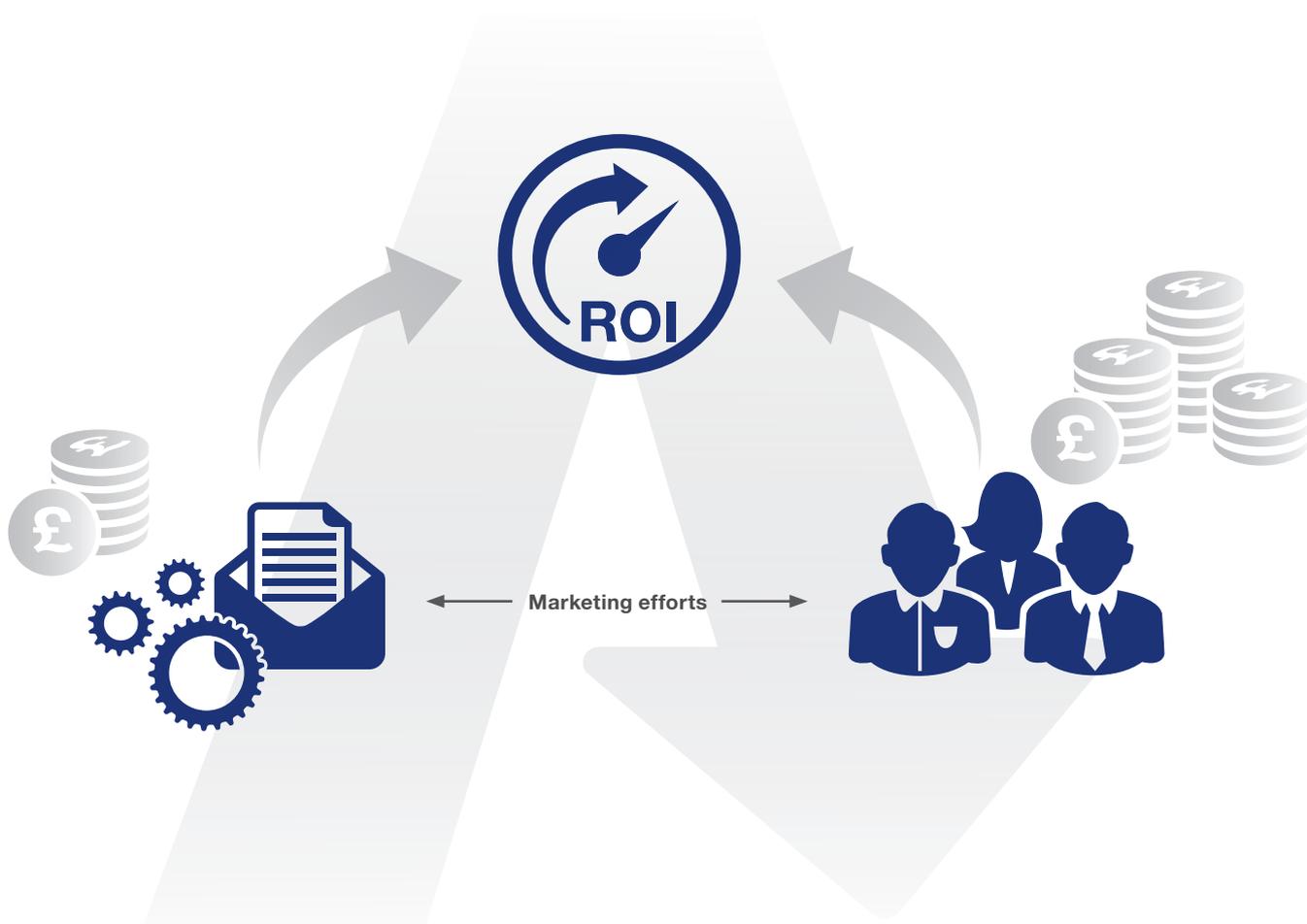
Background

In the classic B2B business model, potential customers spend a lot of time looking into the products they wish to purchase and conduct in-depth research, sometimes over long periods. Suppliers, competing in a restricted space and with fewer clear opportunities for differentiation, began to look for ways to give them an edge in the hunt for sales.

The new technologies available to online retailing, especially using cookies to monitor website behaviour and tracking opens and clicks on emails, soon gave rise to software that could track prospects and leads and score them in terms of their likelihood to make a purchase. Given the typically high cost of products, the complex sales proposals and long gestation periods, B2B customers are only really interesting between the points where they enter the zone of high interest and when the purchase is complete.

The new technologies could therefore enable businesses to focus their marketing efforts appropriately, using low-cost automated techniques such as email and content-driven marketing to instigate and nurture interest, while concentrating the 'expensive' sales teams on potential purchasers who have expressed the right degree of interest.

By having only 'sales ready leads' in the pipeline, the improvements in success rates and ROI were felt immediately, and Marketing Automation was born.



The revolution in online B2C businesses

The Internet has also changed the way B2C works, with customers browsing extensively online, looking for recommendations from people they have never met and displaying little or no loyalty towards the retailer before the purchase. (An exception this might be some of the higher value markets such as cars and antiques). Their buying cycle can be extremely short and purchases are often made on impulse.

These factors, combined with the smaller margin on most sales, meant that trying to capture the profiles of prospective buyers before their first purchase was for B2C businesses both ineffectual and expensive. More than that, it was seen as a barrier: an obstacle to the surfer which stood between them and the articles they were looking for.



Furthermore, despite the freedom of choice the Internet provides, it was clear that online shoppers were still receptive to the personal relationships that shop assistants provided. As high street retail stores fought back with loyalty schemes and free gifts ('get your tenth coffee for free' is a classic example), so the online world began to look for ways in which they, too, could nurture new customers to become repeat buyers through cross- and up-selling and loyalty programs.

The result was that, rather than subscribe to the established, B2B-oriented marketing automation solutions, B2C retailers turned this model on its head and began to work out for themselves how to harness technology to exploit low sales costs and high volumes of traffic to counter small profit margins with increased turnover.

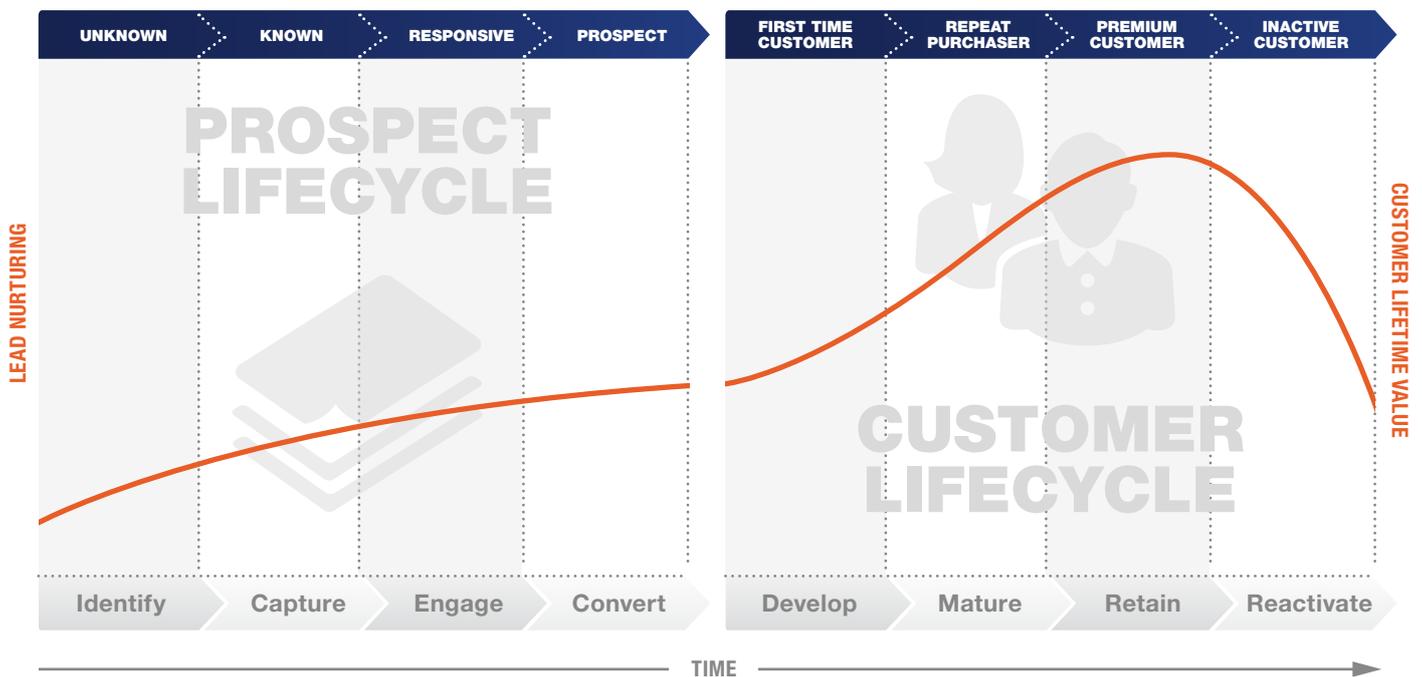


Understand the marketing lifecycle

Understand the marketing lifecycle

To ensure that you make the best use of marketing automation, you really need to understand the marketing life cycle. This is the path a prospect follows over the course of time and what types of interaction you should use to engage.

Whilst the following chart may seem a little simplistic, it certainly outlines the stages that a prospect / customer goes through and where marketing automation can offer benefits. That is not to say that you need to implement everything, especially in the early stages, but it should act as a guide.



Marketing Automation can be just automated marketing!

Given the availability of website tracking engines and the ease with which customer data can be stored and accessed there is no excuse for any online business, of any type or size, not to automate much (if not all) of its customer interaction. This can range in sophistication from a simple chain of emails tracking a purchase event to predictive behaviour models which anticipate what a customer might want or do.

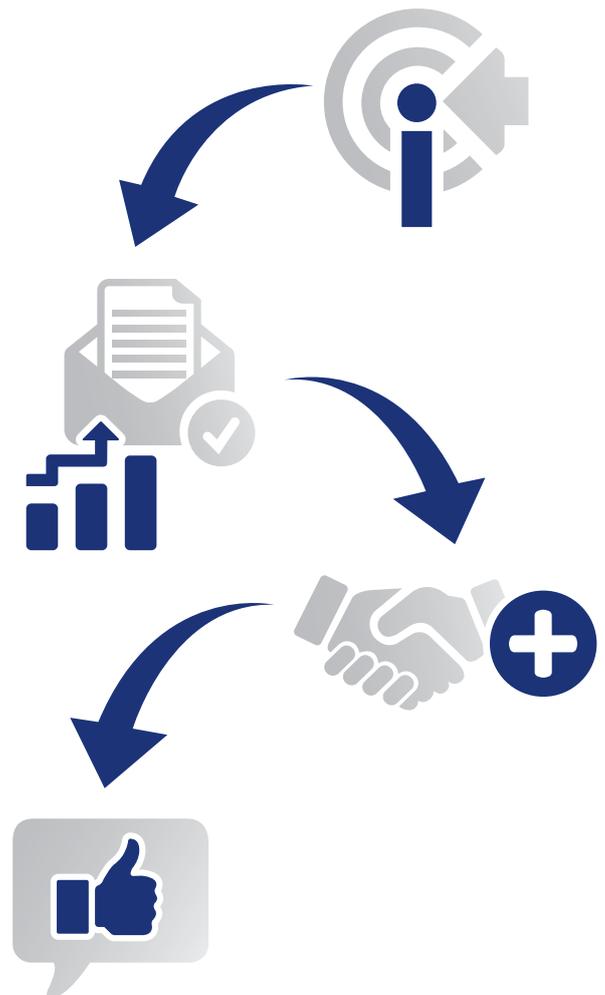
Take a classic example from Amazon:

You place an order with them and within minutes you get an email confirming your purchase. Later on in the day you may receive an email confirming despatch and the next day get another email notifying you when it will be delivered. You may even get another email from the courier outlining the time when your purchase will be delivered and post-delivery you might get a final email asking for feedback and perhaps to write a recommendation.

Despite being sent five emails all about the same purchase, the recipient is happy to receive them and not only that, opens and reads every one.

If only every piece of marketing was received so well! But in essence what Amazon is doing is using marketing automation to provide relevant information at the right time to the right customer. This not only improves engagement but also reduces marketing production costs as the emails they send out at each stage can be from the same campaign but with fields populated with updated customer information. Therefore they win both ways.

To take this example one step further, as an Amazon customer you can also sign up for automated notifications when out-of-stock items are available again, or for recommendations of similar products. The possibilities are endless and require only a careful analysis of your business model to identify where they can make the most impact.



Think big, but start small

7

Think big, but start small

Where most people shy away from implementing marketing automation is trying to work out when to implement which processes. Initial setup efforts can appear large and the return on investment can be hard to measure in financial terms, especially at the beginning. If you think that this might be the case, then don't start out with increased revenue as your goal.

You can instead begin by automating some of the processes which would otherwise be performed manually. Categorising customers by interest or purchase behaviour is necessary before you can think about targeting them with individual content, and automated notification emails and reminders can raise your profile and cut administrative overheads. Most importantly, many of these 'low hanging fruit' tasks require little effort and can produce surprising rewards.

Simple steps like these can make measurable improvements in day-to-day operations, improve take-up among staff for automation (never underestimate the natural perception of many workers that 'automation' is another word for 'substitution') and, most importantly, lay the foundations for the potential revenue-increasing measures that you will eventually be implementing.

If your needs do stretch to the higher end of the spectrum, for example with predictive marketing or RFM (recency, frequency, monetary) scoring, or integrations involving multiple applications, then specialist tools and providers are a must. In such cases, analyse your needs carefully before you start your search and even then it is a good idea to implement a few automated processes on a local level to ensure that everyone in your organisation understands what you are doing and why it is good for your business.

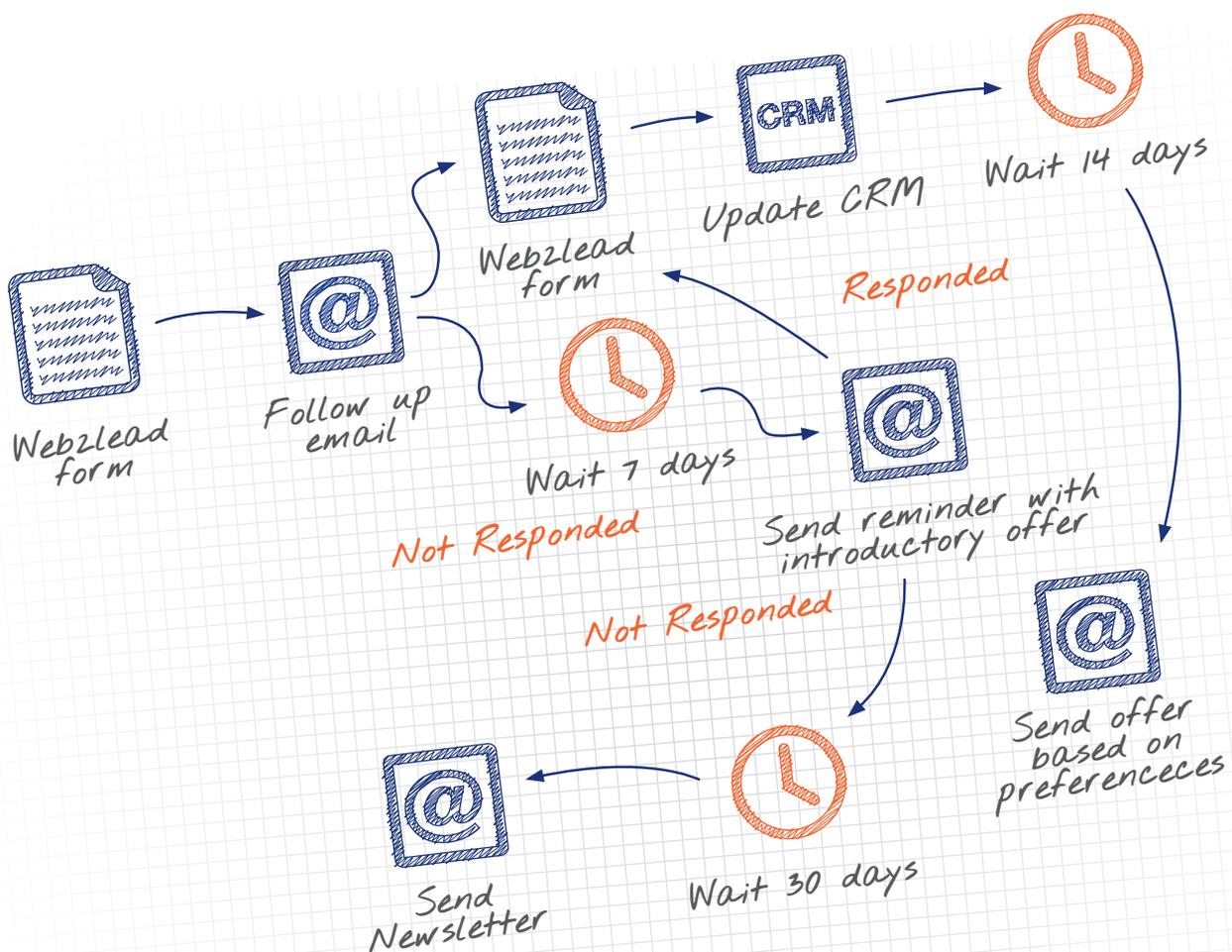


Look beyond the Marketing Workflow

When you do start to plan your automated marketing campaigns, there is still nothing like a good, old-fashioned brainstorming session with colleagues around a whiteboard. Plot your ideal marketing workflow and then work out all the things that can go wrong with it. There is no point in restricting your automation activities to expected (or even desired) behaviour, as described in the Amazon example above. You will certainly streamline processes and save man-hours, possibly even reduce costs, but you will not be generating any additional revenue in the short term.

The real benefits of marketing automation lie in covering the edge cases, the unexpected (and often illogical) behaviour of unpredictable people. Pushing a customer faster along the purchase cycle is a great idea, but wouldn't you rather turn back those who have left the track, or divert them to a different, more profitable track? A straightforward abandoned shopping cart email might incite some customers to complete their purchase, but with a little imagination you could offer a new cart with additional products, bundles or special offers.

Don't forget that it's the numbers that count so ensure you plan your success metrics in the early stages and monitor and tweak your activities along the way. These metrics don't always have to represent incremental sales but can include reducing time, improved click rates etc.



To get the best out of Marketing Automation

9

Take some lessons from B2B marketing automation

Whilst improving your customer experience and driving incremental sales are reasons enough to implement marketing automation, it can also assist in your prospecting activities too. Without the high requirements of a B2B solution, a number of B2C solutions offer some elements of the lead lifecycle: They can offer 'web2lead' forms that trigger engagement opportunities, track web behaviour to capture information that builds prospect profiles and some can even present special offers and recommendations based around browsing history.

Think about more than just sales

Loyalty schemes, reminders to renew expired warranty, satisfaction surveys; these are just a few of the many customer service initiatives that lend themselves to automation. You can also identify inactive customers and bring them back into the fold or, failing that improve your deliverability by purging them from your database.

Conclusion

Conclusion

Marketing automation, or automated marketing, whichever way you look at it, is a win-win situation. And it can work very well for B2C companies. You improve productivity, reduce the amount of repetitive tasks you or your team have to perform, improve customer experience and even increase your ROI. You may over time increase sales too.

Don't be put off by what you see in the marketplace. If you take the time to understand exactly what your requirements are before you start to investigate the solutions, you greatly increase your chances of finding what you are looking for. Remember to start with small, easy steps and you will find that efficiency has its own momentum. Whether it is increasing the bottom line, saving man-hours or raising your company profile, there is no goal that you cannot achieve that little bit faster with the help of a little automation magic.



About emarsys

emarsys is one of the largest providers of email, mobile and social marketing automation solutions in the world sending over 50 billion messages each year on behalf of over 1000 clients including blue-chip companies such as eBay, Volvo, Garmin, Sky, 3M, Swiss Airlines, Zurich and TimeOut.

Our industry leading solution is designed to meet the complex needs of our customers, providing all they need for driving multi-channel online marketing success and increasing ROI - through the most comprehensive email, mobile, and social media marketing automation solutions, in combination with our unrivalled deliverability expertise.

Our worldwide network of regional offices ensure client success and satisfaction in their local markets, as well as supporting the growing multi-region requirements of our global client base.

Find us on



www.facebook.com/emarsys



www.twitter.com/emarsysUK



www.linkedin.com/company/emarsys



Contact Us

For more information, please contact us or visit **www.emarsys.com** and learn more about our other global office locations.

emarsys UK Ltd

100 Euston Street
London
NW1 2HQ

Phone: +44 (0) 207 3880888

Fax: +44 (0) 207 3800116

email: uk@emarsys.com

 www.facebook.com/emarsys

 www.twitter.com/emarsysUK

 www.linkedin.com/company/emarsys

emarsys Worldwide

Vienna

London

Munich

Berlin

Zurich

Paris

Hong Kong

Beijing

Moscow

Istanbul

Singapore

Dubai

Stay up-to-date with email marketing best practice advice.
Subscribe to our e-newsletter at www.emarsys.com

© by emarsys | Enterprise E-Mail Marketing Solutions & Services

