DIGITAL MINDS CHAPTER 10

MANAGING AND NURTURING YOUR DATABASE

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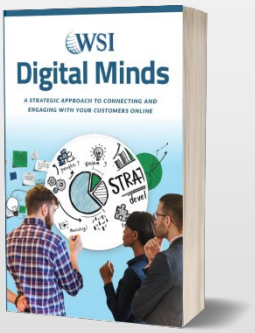

The following is a chapter from WSI's 3rd book, *Digital Minds: A Strategic Approach to Connecting and Engaging with Your Customers Online.* If you'd like to read the book in its entirety you can purchase a copy on Amazon.com here: https://bit.ly/wsibook3

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For as long as there have been lead generation strategies, there have been methods for keeping track of leads. Whether it's a spreadsheet, a series of sticky notes, or a giant dry-erase board, systematically working your leads through a sales process has always been a critical component of running a successful business.

With the latest advancements in technology, there's no need to rely on paper notes or Excel spreadsheets to manage your leads anymore. There are many new solutions for housing your prospect and client data, which vary depending on how much work you need the platform to do for you. Many companies use customer relationship management (CRM) software, as well as marketing automation software to generate more and better leads.

Let's briefly define what these two terms mean and how they differ before we talk more about how they can help grow your business.

A **customer relationship management system,** also called a CRM, is used to manage your relationships with future and current customers. A CRM system stores information such as the customer's full name, addresses, phone numbers, and interactions with your company. An effective CRM should contain tools to manage all processes relating to sales, marketing, and servicing your customers. The objective of a CRM is to help businesses acquire customers (growth), keep them (retention), and operate efficiently (profit).

Marketing automation, on the other hand, is the software or technology that automates, tracks, and measures marketing tasks that were previously handled manually, resulting in operational efficiencies. A marketing automation tool nurtures prospects and customers with personalized content, delivering it at the right time, and resulting in a higher rate of conversion and improved customer satisfaction.

It's important to understand the differences between these two types of software so that you select the best overall solution for your organization. We typically see most businesses start by implementing a CRM to help them manage leads and customers. As a business grows and marketing efforts increase, a marketing automation platform that integrates with their CRM makes a lot of sense.

There are dozens of platforms to choose from including platforms that handle both CRM and marketing automation (we'll dig into this a little later). But you've still got to figure out what platform features would serve your business best. We will look at ways to determine which platform is right for you.

We can't write a chapter about managing and nurturing your database without talking about email marketing. Despite the growing amount of digital advertising strategies available to a business, email marketing continues to be one of the best in terms of conversion. While email marketing platforms don't have the breadth of features or functionality as more robust marketing automation platforms, many have enhanced features that can get you started with more basic marketing automation.

The good news is, technology is available for any size of business, at just about any budget, and at any level of knowledge. Ready? Let's jump in.

The Importance of CRM and Marketing Automation for Your Business

Want more leads at a lower cost per lead? One of the best solutions is to have some combination of CRM and marketing automation software. Beyond lead generation and database nurturing, these programs will result in happier employees and clients. Let's take a closer look at the benefits of these solutions.

CRM Benefits

Improves Sales Performance

With the right CRM, your sales team will be able to collect and store accurate data on your leads and customers. With more knowledge on potential and current customers, you'll be able to efficiently close deals, upsell, and cross-sell. Your sales staff will have a better understanding of where each lead is in the sales process and where best to focus their time and energy.

Improves Customer Satisfaction and Retention

A strong customer experience is essential today. According to Salesforce, one of the most popular CRM systems in the market today, three out of four consumers spent more money with a company because of a positive customer experience.

CRM technology will create an enhanced customer experience because it'll help you better understand their needs and pain points. This will help you focus on addressing what's most important to your customers, making all interactions with your clients as personal and productive as possible.

All of your customer data is stored in one place, which means any department and any team member can access it in real-time. Having all customer information in a central location can also lend itself to better customer service and less at-risk accounts. Having all the information you need, accessible from anywhere, will enable you to solve customer issues quicker and more efficiently. Customers feel better cared for because every team member has access to accurate customer profiles and history. Beyond the sale, CRM systems can improve customer retention as much as 27%, according to Salesforce.

Increases Efficiencies

A CRM platform makes it easier to gather, store, and update customer information so Sales can focus on more complex issues. Depending on the software, you may be able to automate many everyday tasks such as creating

forms, sending required legal documents, and generating reports. No more duplicate efforts from your staff or inadvertently using outdated forms or procedures. You can imagine how much more efficient a business can run when it has all customer engagements documented in one central location.

Efficiencies created by automation can even make tasks like onboarding new employees a breeze because there are already specific systems in place, which cuts down on costs.

For example, we use our CRM to track every single domain name owned by our clients. We have workflows set up to send them reminders when their domain renewal is approaching automatically. It's an excellent service that people appreciate and requires almost no human intervention to carry out.

Better Internal Communication

With your customer data in one system, everyone who interacts with your customers (from your Sales and Marketing teams to Customer Service and beyond) is on the same page. Employee satisfaction increases as communication and relationships between departments improve. Meanwhile, duplicate efforts and customer frustration disappear, too.

Stronger Data Security

With a CRM platform, data is kept in a centralized location, instead of on your employees' desktops or hand-written notes. Housing your data in one place also means greater security. Since you'll be able to control who has access to what information, you can decrease the opportunity for sensitive customer data to be compromised.

Data security is a huge issue facing everyone—both businesses and individuals—who operate in the digital world. The EU (European Union) passed the General Data Protection Regulation (GDPR) in support of the privacy and security of its citizens. Many other regions in the world have, or will soon implement similar data protection regulations. Businesses must prepare for and comply with data protection laws as soon as they are passed into law. Leading CRM systems will make this easier for you to do. They will have protocols already set up within their platform that mandates you to manage your customer data following privacy laws and best practices.

Marketing Automation Benefits

Saves Time

As business owners, we are always looking for ways to eliminate inefficiencies and spend more of our time on tasks that don't lend themselves to automation. Marketing automation handles many of the repetitive, daily tasks that take up time from the marketing team. With the time saved, your team can focus on creative or complex tasks that can't be automated.

Better Data

Marketing automation increases a business's ability to collect and use data to make sound business decisions. The information you get from your automation tool will help you understand your prospective customers' wants and needs better. It will even give you the ability to predict their behavior.

Enables Segmentation and Personalization

Marketing automation improves your knowledge of your prospective customers, helping you to target your marketing efforts based on their needs. Each lead is unique and in a different stage of their decision-making journey. Sending the same message to everyone is not very practical or useful to the person receiving it.

Marketing automation solves that problem. Your prospects are automatically segmented based on their profile, interests, and demographics, and then further sorted based on their behavior! You can then create very targeted messaging for each of these segments.

Creates Brand Consistency

Marketing automation also leads to more consistency in branding and messaging. When you think of brands that have made the strongest impression on you, how have they achieved that? Typically, it's because they have been very successful at creating consistent, creative, and well-branded messages that stick with you. All organizations benefit from brand consistency in every touchpoint along the customer journey.

Increases Revenue and Average Deal Size

You've probably started to notice by now that one benefit leads to another, and ultimately, to the bottom line. Because of improvements to customer data, you'll be able to produce more targeted and effective marketing, which in turn, results in more conversions at a higher average price. This increase happens because you understand your prospects better and can target your proposals to precisely what they need.

Often, companies that utilize marketing automation see an increase in average customer lifetime value. This bump is a result of delivering a consistent, positive experience for the customer, using accurate data, and efficient, effective communication.

How to Determine Which Platform Is Right for Your Business

If you're sold on a CRM and marketing automation for your business, it's time to do a little research. There are many platforms available, each offering a variety of features. What makes one platform better than the other all depends on what features are most important for your business.

Before you start your research, sit down with your team and decide what you're looking for in a particular platform. What are some of your main goals of using marketing automation or a CRM platform? What capabilities would most impact your bottom line? What features would best assist your teams?

Answering these questions and defining your business objectives will help you narrow down your software options. Here are some of the more popular features you'll come across when you're evaluating your options.

FEATURE	BENEFIT	TYPE OF SOFTWARE
Contact management	Gather crucial customer data, segment email lists, improve marketing strategies	CRM, Marketing Automation
Customer opportunity management	Identify customers that are most likely to convert by using lead scoring	CRM
Lead management	Determine the best, high-quality customers to follow up with based on demographic and psychographic features	CRM, Marketing Automation
Reports and dashboards	View statistics, get real-time data updates, utilize mobile access	CRM, Marketing Automation
Sales analytics	Look at past campaigns to create better future campaigns	CRM
Mobile access	View data and receive alerts on a mobile device	CRM, Marketing Automation
Integration	Pull data from existing tools to streamline your marketing efforts	Marketing Automation
Sales forecasting	Create benchmarks for future campaigns	CRM
Email marketing	Automate triggered emails, personalized emails, and scheduled messages	Marketing Automation
Email client integration	Use a dedicated email client within the platform to keep customer data in one place	CRM
Social media automation	Keep profiles active by auto-publishing and scheduling posts in advance	Marketing Automation

Workflow and approvals	Automate data collection, data analysis, and related marketing campaigns	CRM Marketing Automation
Data and file storage	Store, protect, and view data in an efficient manner	CRM, Marketing Automation
Testing	Constant A/B testing and multivariate testing to improve campaigns	Marketing Automation
Security	Customer data is heavily protected	CRM, Marketing Automation
File sync and share	Upload emails, sync files, import spreadsheets	CRM
Sales performance management	See what's doing well and what needs improvement	CRM

You may come across platforms that have additional features, and you'll have to evaluate which features will help you the most in reaching your business goals. Many of these platforms will also offer free trials, so you can test them out for a period of time and see if they fit your business needs.

Nurturing Your Contacts Through the Buyer's Journey

Lead nurturing is the process of building relationships with people who fit your marketing personas but are not currently ready to buy your product or service. No matter what industry you're in, lead nurturing is a crucial part of the sales process, and it must be done right. The objective is to educate the prospect by building awareness of your company and its offerings so that you become "top of mind" when they are ready to make a purchase decision.

Marketing automation platforms have the tools to make the lead nurturing process seamless and more successful. Today, customer data is a vital component of any successful lead nurturing campaign.

Here are some ideas for nurturing your contacts throughout the buyer's journey—from awareness to the decision stage.

Targeted Messages

Use prospect or customer data to create targeted messaging based on specific criteria at any point in the nurturing process. For example, one of my leads downloads an infographic titled "The Path to Lead Conversion." As a follow-up action, I want to automatically send them a link to one of my blog posts on that topic or invite them to book a complimentary 30-minute appointment. Not only can you use this capability to acquire new customers, but it's also great for upselling and cross-selling opportunities.

Personalization

As mentioned above, use your platform to personalize your communication to the interests, behavior, and demographics of your leads. You never want your messages to feel automated or like one big blast. Personalized emails are very effective as a prospect gets close to becoming a customer.

Content at Every Stage

Equally important is deciding what information to send your prospects. In the early awareness stage, content such as blog articles on topics your prospects would find interesting, the latest trends, or industry statistics would be appropriate. As prospects move to the consideration stage, invite them to a webinar, share more details about your product, or offer to schedule a demo. Once they are close to making a purchase decision, share customer success stories and product reviews.

Lead Scoring

In most marketing automation platforms, you can assign “points” to a prospect and “score” them in terms of their interest in your business. Activities like opening a marketing email, visiting a landing page, completing a form, registering for an event, or requesting a demo, can be used to determine when a lead is qualified and should be contacted by the Sales Team. This lead scoring process is a powerful automation feature that can save you on labor costs and improve your closing rates.

Email Frequency Cap

Whenever you’re reaching out directly to a potential customer, don’t overwhelm or annoy them with too much messaging. Find an appropriate balance between staying in front of them consistently and allowing them time to digest the information you provided. Balance is key! Learn from past data and make appropriate adjustments.

In some marketing automation tools, you can even set an email frequency cap in the system to avoid over-emailing your contacts.

Marketing and Sales Alignment

Coordination between sales and marketing is one of the primary challenges to achieving an organization’s sales goals. In many instances, the two departments don’t even share the same definition of a lead—so this is probably the right place to start.

Everyone should be clear that marketing qualified leads are at the top of the funnel, and sales qualified leads are near the bottom. After the Marketing Department has nurtured leads with automated campaigns, they are passed onto the sales team via the CRM.

Align your Marketing and Sales teams' definitions of a lead: it will clear up a lot of misunderstandings. HubSpot, one of the leading CRMs in the global marketplace, defines a marketing qualified lead (MQL) as:

> *"contacts who have engaged with the team's marketing efforts, but are still not ready to receive a sales call. An example of a MQL is a contact who responds to a specific form in a marketing campaign."*

It's also essential to define what a marketing lead is not. Names collected on your website or social accounts or even from list brokers are probably not marketing qualified leads. They are inquiries that typically need more nurturing from the marketing team to determine whether they are good leads. Assessing whether they have a real need for your product or service combined with an interest in your company is critical. Coming to an agreement on the correct definition and implementing that into a lead scoring system will "lead" you to success!

When you bridge the gap between Marketing and Sales, you'll improve lead quality, provide better nurturing efforts, and have streamlined lead management processes in place. All of which works to generate more sales for your business.

How Email Marketing Fits In

No matter how much new technology gets thrown our way, one thing is for sure—email marketing is as strong as ever! It's an effective (and very affordable) marketing strategy that should be considered within a comprehensive digital marketing program. You can, and should, use customer segmentation techniques to send personalized content to your email contacts as you bring them closer to the sale.

The most common examples of email marketing campaigns include newsletters, email blasts, company specials, seasonal promotions, customer education, and win-back campaigns.

So, when is an email marketing campaign right for you? Here are some clues:

- You have a relatively short and basic sales cycle that only requires a few interactions before conversion.
- You have limited resources and are unable to devote the budget and time needed to create a full-blown marketing automation strategy.

Here are some instances where our clients are effectively utilizing email marketing technology:

- As an autoresponder message to thank a customer for registering or opting into a program.
- To send an automatic follow-up thank you email for an action the prospect took. You could also use it to introduce a sales representative seamlessly.

- To subscribe to coupons or specials.
- To gather additional information about a marketing segment.
- To send automated messages to users who have abandoned their shopping cart, enticing them back.
- To A/B split test multiple ideas. This testing could involve creating two versions of an email (each with a different subject line, for example) to learn which one leads to higher open and conversion rates.
- As targeted sign-up forms to help move a prospect further down the buyers' journey (even though not as automated as marketing automation)

Many of the email marketing platforms available today have autoresponder and messaging sequence capabilities. Plus, you can implement basic segmentation through the use of lists.

Security and Privacy Considerations

When you're housing data, especially personal data from customers, you're responsible for protecting that information. Most CRM systems store the following information:

- Name, job title, email address, social media profiles, phone numbers
- The date the company last contacted a customer and how they were contacted
- Sources of leads and their lead score
- Any purchases they've made
- Their most recent brand engagement
- Names of clients' children, pets, hobbies, or any personal data that would help nurture the lead and retain the relationship

A data breach to your CRM could destroy your customers' trust in your business, tarnish your brand, and even result in legal actions. The following are steps you can take to minimize your exposure to external vulnerabilities.

Select a Reputable CRM Provider

Hackers are going to pick the applications that they feel are the easiest to hack. Perform due diligence and select a reliable CRM provider before you get started. Check technology news sites like CNET and IT World for unbiased reviews and comparisons. An easy place to start is by doing a Google search for "CRM Company Name" + "data breach" or "security breach."

Secure Your Infrastructure

Talk with your IT department or IT consultant to confirm you have appropriate firewalls and an antivirus program with real-time scans. Make sure all operating system updates are being performed regularly, and the latest security updates, and patches are being installed.

Train Your Employees

Unfortunately, many breaches occur because employees are careless with customer data, documents, or user credentials. Educate your staff about your security protocols and train them to use the software. Unfortunately, it's still common in small businesses for employees (and owners!) to accidentally open emails from unknown sources that lead to malicious websites. Educate your staff on the right way to open sensitive information on public WiFi networks, which are generally insecure.

Use Strong Passwords

Passwords are a huge source of vulnerability for organizations of all sizes. In 93% of breaches, attackers take less than one minute to compromise the targeted system. Establish protocols and requirements for password strength and changing passwords. Require everyone to use strong passwords consisting of numbers, alphas, and special characters.

Train your employees to store their passwords and retrieve them when needed since it's pretty difficult to remember them all. Many businesses and platforms such as Gmail, Facebook, and Instagram, have started requiring users to provide two pieces of information (dual, or two-factor authentication) to access their account.

Educate your employees on best practices for accessing hardware and software in a way that protects your business against breaches and attacks. Training sessions could include:

- How to practice safe web browsing
- How to create and use proper passwords
- How to set up security alerts within your system

Educate your employees on best practices for accessing hardware and software in a way that protects your business against breaches and attacks, how to practice safe web browsing, create and use proper passwords, and set up security alerts within your system, so you're aware of any unsafe activity.

Closing Thoughts

As a business owner myself, I went through the same business decisions you may be going through. I asked myself: How big does my agency need to be to warrant implementing new technology? What is the right software for my industry? Will this really benefit my staff and my customers? How much is all this going to cost?

I can tell you one of the best decisions I made was to implement a CRM system. Even in a boutique agency, it immediately resulted in operational efficiencies as a result of centralized client information. And no matter how mature the business, I have never worked with a company who does not need more leads. CRM and marketing automation software are here to make the lead management process cheaper and easier!

TIP: If you want to learn more about lead management and marketing automation, visit www.wsiworld.com/book-resources.

About the Author

Alison Lindemann

After 17 years in the corporate management world, Alison joined the WSI team in 2004. Consistently a WSI Top 25 revenue earner and a WSI Top Gun, Alison's digital agency is located in the Los Angeles area. Alison has expertise in both traditional and digital media, as well as strategic planning, competitor analysis, and SEO. Alison holds a BSBA degree from Washington University in St. Louis - Olin Business School, and a CPCU Designation, ARP Designation and numerous digital marketing certifications. She is very involved in the non-profit world and sits on the Board of Soroptimist International of GSCV as well as Circle of Hope.

About WSI

For 25 years, WSI has been providing digital marketing services and comprehensive marketing strategies to businesses of all sizes and across various industries. We are the largest network of digital marketing agencies around the world.

We are a full-service digital marketing agency that helps elevate your online brand, generate more leads and sales, and improve your overall marketing ROI. Our Digital Marketing Consultants use their knowledge and expertise to make a difference for businesses all around the world.

We don't believe in the "one-size-fits-all" approach to digital marketing. Instead, we take the time to understand your organization and customers so we can recommend a strategy based on your individual business needs. When you invest in any of WSI's digital marketing solutions, you'll have some of the top minds in the industry, contributing to your goals and vision.

You have a vision for your business. We can help make it happen. Reach out; we're happy to help.