What You Must Have to Make Marketing Automation Work

This transcript was lightly edited for clarity.

Chris: Hello, welcome and thank you very much for listening. Today on the podcast, we're going to talk about marketing automation. In fact, we're going to do a two-part series on this topic, because I think there's an opportunity to help a lot of you, whether you are just thinking about getting started with marketing automation, or have been using it for a while and want to elevate your game.

In this first part we will talk about what it is, how it fits in with your overall marketing plan, what to consider if you're selecting a platform, and the benefits, as well as some of the challenges marketers encounter with marketing automation. And then in the second part, which will go live two weeks from now, we'll talk about the importance of content. How you think about laying out a campaign, and using the data that comes back to you to make your marketing more effective.

Having said all of that, my guest today has a PhD in genetics from the University of Washington. He has extensive experience, both as a scientist at the bench, and as a marketer in the life science business. He is currently the Principle at Pacific Biomarketing, where he helps life science companies achieve their sales and marketing goals through practical, actionable solutions. Guy Page, welcome to the podcast.

Guy: Hey, thanks Chris. It's great to be here.

Chris: We finally met in person a couple of weeks ago at the ACPLS meeting in San Diego, and I'm curious to hear what your favorite takeaway or most interesting impression of that annual meeting was?

Guy: Well, I've been associated with ACPLS for quite a while, and I love the organization. It is one of the few places where you can go and spend time with people who are like yourself. If you go to a trade show, there are other marketers there, but you don't really get a chance to hang out and talk with them and compare notes, and see who has used what and how it's working. And here at ACPLS you get two days of nothing but, and I look forward to it every year.

Chris: Nice. So, this is a somewhat of an aside, but mine was related to the question you asked and I was thinking the exact same thing. We had a panel of scientists and we asked them where they get their information, and all six of them swore up and down that they only get product information from their colleagues. The question becomes who's consuming our content? And I thought, this might be harder than figuring out how life on earth got started.

Guy: Yeah, well I think sometimes customers don't fully understand how they come to their buying decisions. Getting information from colleagues is definitely a very important vehicle, but the colleagues have to get it somewhere, and their colleagues have to get it somewhere. In the beginning, there is a chicken or an egg, one of those two, not three or four.

Chris: Yeah, so that is a bit of an aside, but I just thought that was an amusing conversation. I'm sure there's somebody who's reading something, but it was just funny to hear people to say, "Nope, we just talk to each other."

Guy: It's like the same thing as they'll say, "Well, all we care about is the data." You're like, "Hmm." Experience doesn't tend to bear that out.

Chris: Yeah. The data, well I won't even go there.

Guy: [laughs]

Chris: Let's get back to marketing automation with the end in mind, which is more leads and sales, right?

Guy: Absolutely.

Chris: First of all, just so we're all on the same page, would you explain what marketing automation is?

Guy: Sure, I can do it in three words. Not possible. That's two words. I've been talking about marketing automation for three or four years now, when the light first dawned, and I've tried lots of different ways of explaining it and describing it, and talking about the benefits of it and the features of it. It's a complex concept that evades a simple description, but what I can do, and I was thinking about this question, and I think the best shot I can take at it is

to say that marketing automation is an efficient way of managing the digital conversations that are what marketing today is all about.

It's a tool for conducting marketing in an environment that is very different than what we have experienced in the past. And if I can spend a couple of minutes on this, I use the term 'digital conversations,' and the key word there is 'conversations.' We have in the past looked at selling to people as a conversation, which is two people talking to one another, typically the customer and the sales rep. And we all know, we've heard the numbers many, many times about how 70%, or 57%, or 60% of the buying decision is made before the customer ever contacts the company.

But what has happened is it's been replaced by, in the good cases, by digital conversations. So just to clarify, a digital conversation is not words going back and forth. It's not an email chain, it's not Twittering back and forth, it is an awareness on the part of the marketing organization of what the customer is responding to, and responding to them appropriately to their own behavior.

The conversation goes: company does something, customer responds - or doesn't. In response to the customer response, the company does something else, and that begins to look like a conversation. It fits what the customer is actually interested in, as demonstrated by their behavior. Marketing automation allows that to be possible because in our current environment, there are many, many types of digital conversation, and there's going to be more. There's going to be tons of them, we're only beginning. So to think about managing this array of conversations manually is totally overwhelming. Honestly, I think it's just not possible, and that's what...the key benefit that marketing automation does is, among others, is to bring manageability to this high diversity of conversations that you want to engage in, if you're in marketing.

Chris: Right, and it's all driven by software. So you have to, to some degree, envision the flow of that conversation and what the possible branch points are, a customer responds, or doesn't, or responds to one thing but not another, and have your conversation planned out in advance, right? And then...

Guy: Absolutely, yes.

Chris: And then that's put into the software to say, "If they do this, let's say that, and if they this, then we're going to say something else." Which is really delivering information back and forth.

Guy: And you can see very quickly, if you start to map this out - and we'll talk about this later - is that the number of branch points expands obviously geometrically, and that's how it becomes completely unmanageable. So typically, most of us will blow off all of the

secondary communications, which can be very important. And that's what automation allows us to handle.

Chris: Well if I don't ask you, we definitely have to get back to how we manage that, because I think that's the crux of the issue for a lot of people. Of all of the things marketers can be investing money, time, or effort into to get more leads and sales, how does automation fit into that?

Guy: Okay, so I've done, as you've mentioned, I've done marketing for a long time. I've managed lots and lots of marketing programs and organizations, and done everything that we marketers normally do from advertising and trade shows and emails and all that stuff. I would say that at this point in time, if you go to the Pacific Biomarketing website, you'll see we're all about marketing automation, and there's a reason for that, and that's because it works. It's the only thing I know that is absolutely...well let's just say high probability it's going to work, because it fits perfectly with the way that we interact with customers right now, and it guides you to the best ways of interacting.

The way I look at it is that marketing automation is not the answer, it's like the foundation for your house. There are going to be tons and tons of marketing tools that are going to be created through lots of ingenuity and the internet. What marketing automation allows you to do is to aggregate them, coordinate them, and get them to work together. So you start with that, and build outwards in a coordinated fashion. It is probably the best thing you can do at this point with your money.

Chris: Okay. Yeah. Well, we're going to talk about specific benefits and challenges as we go along, but it sounds like...maybe you've already answered this, the primary benefits are managing these multiple branch points and the infinite possible conversations we could be having with who-knows-how-many potential customers. What else? I know that there are some other things that you get out of it.

Guy: Yeah, so management is very definitely. That's the thing that people mostly think about when they think about marketing automation and scope of course. Scope in this case, I mean the range of things you can coordinate. All of the social things, and all of the other vehicles, retargeting, you name it, can all be plugged into your automation system. But the key one that I really like, that I think is most important, is measurement. That is when you set up a campaign in an automation system, you define what's going to happen at every step of the way. No matter how many steps there are, and how many branch points, you will get a quantitative assessment of how well that worked.

And from a marketing perspective, that is solid gold because you can see when you're making a mistake, or when you've hit a green light that is really valuable, that… Presumably we know about our customers before we start. But okay, we don't all know everything

about them. And part of what we do here is find out about them, and this stuff helps you short-circuit and cut off programs that aren't working, redefine them into programs that might work, and put your resources behind programs that really are working and are very valuable. I think that's one of the biggest benefits.

Chris: Yeah, my experience with a couple of marketing automation systems, that to me was the most valuable part. I won't say that I ran any complex campaigns, but just being able to look at the data and go, "Okay, this content is something they love. That content is something no one cares about. This is the source of the majority of my leads, and that thing that I'm spending time on over there drives traffic, but I get nothing out of it." That is I think hugely valuable, because if you stopped at measuring traffic you would be... you could be wasting, still, a lot of effort and money.

Guy: Oh yeah, believe me, as you know, there are lots of ways to spend money, and once you get started on a campaign, you can put tons of cash into it and you may not want to be doing that.

Chris: Right. You want to find the thing that works, and put your cash behind that, if possible.

Several weeks ago now, Kenneth Vogt was on a previous episode, and we generally talked about how a company should evaluate systems, whatever kind of system they're thinking about bringing in to their organization. But let's talk today specifically about marketing automation. What should marketers who are not yet using it, but thinking about dipping their toe in the pool, what should they be thinking about, if they're going to evaluate a marketing automation platform?

Guy: Real complex question, but the simplest answers are, I would call them scope, goals, and resources and I'll go over each of these. Scope here, I don't mean scope in the sense that I used it before, where you're dealing with a multitude of marketing programs and channels, but the size of the organization. Marketing automation is applicable to everybody, we'll talk about that in a minute, but organizations that are very complex, say for example, you're a large company that has either branch offices or distributors throughout the world, and you want to have them integrated into your system, you want to have a highly coordinated marketing operation.

You have a fairly substantial in-house marcom group or a marketing group, and you have a strong brand. That imposes some limitations or restrictions on what you can choose. I represent...Pacific Biomarketing represents HubSpot, which is designed for small and medium sized businesses, which is most of our clientele. Probably not as applicable to larger businesses. I've worked in the past with Marketo, which is a marketing automation

system more designed for marketing management. Its scope is much larger, it's like the Salesforce.com of marketing automation. So scope is a big deal. It's very important.

The goals of what you want to achieve are also important. Most of the automation systems have similar functionalities. Some are more robust than others. Just one quick example, lead scoring is something that everybody does, which is where you give a lead points for a behavior they execute during your marketing with them, and some of the systems are very good at that. Others less so. If it's really important to you to be able to rank leads, and ranking leads means making efficient use of your sales peoples' time, if that's an important thing, then you want to pick a system that has a very robust lead scoring capability.

Then finally the resources. So some systems like HubSpot, are adoptable pretty easily, they upgrade support, the system itself is logical and accessible to your general marketing person. In contrast, something like Marketo is far more complicated, and would typically require dedication of at least one resource to it, and depending on the size of the organization, even more. If you're stepping back, you have to look at what do you want to accomplish? What kind of organization are you in size and your scope? And then, what kind of resource are you willing to dedicate to managing it? You can go throughout the spectrum of, you don't have to hire anybody new to where you really need a team.

Chris: Thank you, that's exactly the answer I was looking for. The things people ought to be thinking about, because in my experience there is a wide range of complexity to the systems and at one company where I worked for example, we were looking at a system that we thought would have been the ultimate solution to all our marketing problems, and then having had some experience with that system elsewhere, realized that the previous company would not have survived under the weight of that complexity. Let's put it that way.

Yeah, and then I've seen, as you say, I've had some experience with HubSpot too, and very easy to use, but again not maybe as complicated or as capable as more complex systems.

When you put marketing automation into practice, are you seeing it work better for some companies than others, and what kind of lessons are you learning from watching companies implement marketing automation?

Guy: Ouch, ooh. Lots. [laughs] One of the things that people assume tacitly is that marketing automation is something designed for big companies, it's like SAP or something and you're like, "Oh, we don't need to do that." My counter-example is I know of a dentist office that has three dentists, and they use HubSpot, very productively. The point is that in the digital age in which we live in, everybody who's in business is selling something. And marketing automation is designed to help you sell whatever you're selling. In principal, and I think in practice, it'll work equally well for all companies, even non-profits. But the key is, and I

think we'll talk about this more when we get into content, is that people get the idea that a marketing automation system is like, I don't know, a TV that you buy, that you turn it on and it works, and it's not like that at all. It's much more like a factory, or a machine that you have to build first, and if you build it properly, it will work wonderfully, and if you don't, it's going to turn out junk or not work at all, clank and spew smoke. The key to making it work, unfortunately, is understanding your customer first.

The more you understand what your customer cares about and what motivates them, makes them tick, their so-called jobs, pains, and gains, the better your system is going to work because you'll build that understanding formally and systematically throughout your system. If you don't understand what your customers...what motivates them, you're going to make mistakes and it will look like your system isn't working. So a system can't fix a lack of understanding, but it can take an understanding of your customer and turn it into a lot more sales.

Chris: Excellent, so when you say 'build,' you're talking about - and I know I might be getting a little bit ahead here – are you talking about filling your system, so to speak, with content? Or are you talking about designing work flows for your campaigns? Or something even more fundamental than that?

Guy: Well it's more like...it's a combination. Because let's suppose you have decided as a marketing group, you want to address a particular marketing segment with a particular message, because you have, through contact at a trade show, feedback from your sales organization, or whatever, you've got some clarity that this message is going to resonate with this segment. So you go, "Okay, cool. Let's make a campaign." And now you go, "Well, what do these people care about? Let's make some content for them." And, "What is their thought process going to be?" And you build it into a whole work flow.

Now what you've got there, let's just think of this as a brick in the wall. Customers from this particular segment come in one end of your little port of your brick or a portion of your machine, they read your content, they're motivated, and then they buy at the other end. Or they contact your sales force, and the sales guy gets them to buy, or the sales woman. That's just one piece. Now, the next thing that happens is you go to another show or you get some more feedback from your sales organization or something else comes in, or even you have an idea that you think would work, or you talk to one of your customers and you go, "Well, wait a second, here's another portion of the segment," Or even the same segment with a different message. So let's build some stuff around them.

You go through the process again. Now you've got another brick. You've got two bricks that are working at the same time and bit by bit by bit, you can assemble yourself a very complex comprehensive outreach to many different segments with messages that resonate. And of course, if the message doesn't work, and that does happen, you can take that brick

out of the wall. The content plays an absolutely essential role and works hand-in-hand with your understanding of what customers care about and how you find the messaging that might work with them.

Chris: Nice. Yeah, I like that, how you're essentially customizing your message to the people that you want to reach, and automation helps you do that, and again, getting data back and figuring out what works and what doesn't and continually refining that message. I don't want to dig too deep into content, we'll get into that in the next episode, but are there common mistakes you see in how companies use, or what they expect to get out of marketing automation?

Guy: Yeah, we kind of touched on this and it is the...the idea is, like I said, if you treat it like there's some magic to it, that's one mistake. Like I said, you take it out of the box, you turn on the switch, and it works. The other one is that it makes sales. What it does is it facilitates sales but it doesn't make them, so I think the biggest disappointment for people who do get disappointed early is that they put it in place, and they'll do a campaign and it's like, "Well, where's the money?" You're like, "Well how do we set it up? How do we prepare the customers for the sale? And let's take a look at it." That's where the measurement capability comes in, because it allows you to go back and say if it isn't working the way you want, why not?

When we sent out this first piece of content how did people respond? If they didn't respond enough, maybe that's part of the problem. Let's just go back and tweak it. Was the message a little bit off? Can we rephrase it? It's that moving away from the understanding that there's some magic to it. To that this is actually a systematic, almost scientific process of figuring out what works, and encoding that understanding into your automation system. That's what it's all about. Once you get into that mindset, then it works much better.

Chris: I love what you just said there about the scientific method of the whole thing, because really what you're doing and what automation allows you to do - and I wrote a blog post about this, not necessarily related to automation. But when you're doing content marketing, everything you do is a hypothesis. When you're doing marketing in general, you have a hypothesis that this message will resonate with someone. And when you put it out through an automation system and you get data back, you can validate or negate that hypothesis and say, "Well, let's try something else." And the beauty is, you get to iterate that as many times as you want, or as you have capacity to do.

I want to talk more in the next segment, I think we're going to wrap this one here, but I definitely want to come back and I'm going to make a note so that when we talk in the next segment, about preparing customers for the sale. So that's something I'd not heard before,

and I'm very curious about. And I have a sense of where you're going, but I think it's a great idea. It's one of my most...what did I say, urgent questions about marketing automation. So it's the ultimate end point, and we'll talk about this again in the next episode. You're expecting a call from them to say, "Hey, I love your stuff so much, I've got to have it right now." Or is it something a little more, like you said, understanding where they are in the digital conversation, and the right time for someone to approach them?

Guy: Yeah. Right.

Chris: Thank you Guy, very much for this one. I look very much forward to our next chat, and again that will come out in two weeks. If you want to make sure that you don't miss that episode, you should subscribe to this podcast right now, and we will talk to you in a couple of weeks.

Guy: Thanks Chris, I really appreciate it.

Chris: Thank you, Guy. Bye-bye.

Guy: Bye.

The Next Golden Age of Audio

There is no better way to grow an engaged audience of loyal brand advocates than through a podcast. But getting started might seem a bit daunting. I know how you feel. There's a lot to learn.

The good news is you don't have to do it alone. I've been creating podcasts and audio stories since 2014 and I'm ready to help you set up for recording and handle all of the editing and post production. It's easy.

1. Schedule a call.

2. We'll develop a clear strategy.

3. Start growing your audience.