

The Interview Series - Presented by SmartFunnel

Interviews of Sales + Marketing Industry Leaders

Louis Gudema: Founder and President of Revenue + Associates

PETER: Hello folks this is Peter Fillmore speaking. I've got Louis Gudema on the line today. Louis and I are going to share with you some ideas on the state of the art in Marketing Technology – some of the techniques for generating leads using the Internet and using the magic of your website.

Louis is the Founder and President of Revenue + Associates. Revenue and Associates are a company that focuses on how to implement sales and marketing better, and use the latest tools to grow your business.

I'm delighted to have Louis on board partly because he's got an award winning blog and he was chosen to produce a blog post recently for Harvard Business Review, on this topic of the latest and greatest in Marketing Technology.

So Louis thanks very much for giving us your time today. And what I would like to do is start by asking a question that is near and dear to my heart, which is for B2B companies that are selling high ticket items, many of them may not yet have found that the internet is actually a source of leads for them, and there are obviously a lot of companies that still use traditional techniques. So in your experience, do high ticket B2B prospects actually search the Internet for business solutions? Or for business problem solving expertise that they may wish to talk to you about and perhaps buy from your B2B company? Go ahead.

LOUIS: Yeah absolutely! Thank you Peter and thanks for the invite to talk today.

Yeah I would say the high ticket B2B buyers do search on the internet. Now it all depends of course, if you get a very small market where there is, you know only a few buyer companies, like airlines. Boeing does not have to worry about search. But when you've got a market that has many suppliers, hundreds or thousands of customers, then those customers are definitely searching on the internet. At the very least, people are searching on the internet to keep up with their profession. So they are not always searching just around the purchase activities. They are going to be searching, you know, six months, a year or two years ahead of making a purchase and that is a great opportunity to get in front of them, as a thought leader and an expert in the field and to be remembered by them at the point where they do go into a search around vendors for a particular purchase. I've done research where I've looked in different B2B industries and you see that some of the key words cost over \$100 a click. Well key words don't get bid up to \$50 or \$100 or \$150 a click unless there's a search happening and the vendors in that industry have discovered that it is valuable to be advertising on those key words...on those industry key words. That it's bringing leads to them and they can get new business from it that more than justifies the cost per click.

PETER: So in brief; there are cost per click ways to contact people that are searching and bring them to your website. There are also inbound marketing techniques. I'd appreciate your comments on how both

of these can be used, so of course some people know that there is a lot of work in making your website attractive for searchers, getting your site, let's say, highly rated on a Google search. Could you just comment on the two paths of the paid search you mentioned, and also the unpaid discovery activity that goes on?

LOUIS: Sure, it all starts with understanding your customer and understanding your market. So you have to understand whose buying. In B2B, it's typically these days a buying team. The average buying team has more than five members to it and those may include the end users, the managers, there's perhaps someone in tech, in IT. It can include the CFO, the CEO or other people on the Executive team. And, there are several different phases to the buyers' purchase that is going to start with identifying an internal need or desire and researching and creating a short list of vendors and considering the different options, making decisions; building the business case and so forth. And, in each of those different stages the members of the buying team are going to come in and out, and have needs. So if you identify who are those members of the buying team and at what stage they are involved in the buying process and what is the specific content that they need; either to find on the internet or even for your sales team to be able to present, when meeting with them or when they raise objections, or things of that sort. Those are all valuable for use for inbound marketing. So it starts with understanding your buyer, the buying team, the kind of content needed and the kind of issues, questions and objections they are going to have, so that you can create the content that will satisfy their concerns.

PETER: That's very helpful and you and I have talked a bit about content and I guess one of the things I would like to do is now expand our thinking about content and perhaps drill into different ways to generate content. So for example, you mentioned the importance of showing some thought leadership and when you get into content, I know a lot of people in different niche markets and different segments that have expertise that is quite interesting to their industry. There is obviously a combination of writing things, speaking about things and making yourself available for industry forums – that kind of thing. Maybe just share with us some of your own stories about different kinds of content that can be created, or different ways you can interact in that whole area of your expertise.

LOUIS: Sure, well, since you were mentioning before inbound marketing. Key to inbound marketing is getting good search results that your content will show up; when people in the industry are searching on relevant industry key words.

So content can take a lot of forms. Obviously it can be blogs or whitepapers, info graphics, it can be webinars, pod casts, and one tool that can be very valuable is SlideShare. Sharing slide presentations and power points on SlideShare can be especially effective in B2B.

So Google basically looks for three things in terms of producing high rankings. Number one, it is looking for high quality original content. Number two, it's looking for links to your website which is one of the ways that it judges the value of your content. It is essentially taking those links as votes, that people off your website are linking to it, because they know more about it than Google does. If other people are linking to it that have valuable websites themselves, then that is a signal to Google that you have high quality content.

Then, number three are certain technical things that you can do in terms of Meta tags on your web pages and H1 headers and title tags and things like that. Those are additional signals or cues to Google; that this is what specifically this content is about.

So it all starts with creating that valuable content in a lot of different forms and using things like social media and other devices to amplify it so that people become aware of it and they read it, they link to it, they share it and so forth.

PETER: From that latter point about the technical things, setting up your Meta data and your headers, all of those things that are under the covers of your website, what is your sense of what percentage of B2B companies are actually doing that or what percentage have not yet started down that path?

LOUIS: Well it's a very low percentage. I put out a study this year where I looked at 351 mid-market B2B companies. These were all companies with \$10 million to \$100 million at least in revenue. Some go up to \$300 or \$400 million. These are all companies that operate on a global or at least national basis.

I looked at them one by one to make sure that they were in industries where marketing made sense. Where they weren't just an early-stage bio-tech company that was still in clinical trials, or a real estate investment trust, or a company that only sold to the military. Those kinds of scenarios, marketing is not necessarily very important. But, these were all companies that had products or services that would be bought by thousands of companies globally and they were operating in that kind of market.

So, I looked at nine different marketing technologies or marketing processes that are digital and search engine optimization was one of them. Software companies as a group were very aggressive in using all nine of these programs.

Other than software companies, no other industry was aggressive in using them.

The only tool that a majority of non-software companies were using is having the free Google analytics installed on their website whether they are looking at the data or using it much at all. I have very, very easy standards for grading – I was just looking for minimal adoption or minimal awareness of any of these nine. Search engine optimization came in second, but still it was down there at about a third and so the vast majority of even midmarket companies aren't doing serious search engine optimization. And, if you get into even smaller companies, companies who make \$2 million or \$5 million in revenue, the numbers are much lower than that.

PETER: Do you feel that that's going to stay that way, or are the smaller companies and the non-software companies on a learning curve were they are going to catch up and start modernizing their websites?

LOUIS: I think it's a very, very slow process. You know Peter; this is a great opportunity for people who are listening in on this podcast, frankly, because there's a real early adopter opportunity here! Because, if you're the first or one of the first in your industry to use these technologies, you get cheaper keywords, you can get a higher search rank. It's much easier to get a position of thought leadership in an industry where not a lot of people are trying.

But, if you're in an industry as you and I are, related to say sales and marketing, there's countless sales and marketing Blogs. It's very hard to get attention for your writing, very hard to get high rankings in search results. So there are real opportunities here, for companies in those non-software industries to really take advantage of what their competitors are not doing.

PETER: Very good point; and I'll tell you, that comment about the pricing, or the cost of using ad words confirms my experience with SmartFunnel.com where we've obviously done a lot of work on getting the under-the-covers things addressed on our website, probably still more to do, but we still find search terms that are quite affordable. There are things that we can do just to run some paid ads or not paid ads but purchased search terms for even a week or a couple of weeks and learn a lot from the results of that. So the tools, both the no charge capabilities and the things you have to pay for, in my view are actually in the aggregate, quite affordable. You just need to have a commitment to go ahead. So maybe I should, actually ask you given your studies of this group, such as 351 companies. How you feel that people should in those companies develop the commitment to go ahead to study and learn more about the things we are talking about today?

LOUIS: Well, there are a few things. First of all, of course as I said before, this is still marketing so it still starts with the customer and people who are in marketing should not feel threatened by these new technologies; because these are all additive to the marketing team and the marketing process. Nothing that you were doing before is obsolete. But now, there are new tools, there's new technologies. There's new need to understand data and use data that wasn't so present before. So there are new things to understand. Not that the things you did before are obsolete, you still have to understand the customer, you still have to create compelling content, you still have to understand campaigns and project management, and ad buying. All the things that you did before. So it still starts with that, then they have to become comfortable with technology. So I know a lot of marketers come from often a more creative background that may be what appealed to them or brought them into marketing. They liked advertising that they saw; and things of that sort. As I said, it's still valid, but you need to become comfortable with technology in general and marketing technology in particular, and become comfortable with data. So it's not necessary for every person on the marketing team to have deep tech skills and deep data skills. Not everybody has to be a statistician or a data scientist. But they have to understand, in a general sense, what those people do so that when the discussion happens where the creative people have certain ideas and the data people come back and say, you know it turns out that those ideas are not going over well with our target market but these other ideas are. They have to understand why that is, and why it's important to listen to that.

PETER: Excellent. So, my next question has to do with how can a manager, in one of these companies detect whether they've got an opportunity for improvement? I am going to start by simplifying things a little bit by saying that in most cases I know from my point of view we look at the sales manager, the marketing manager, the CEO, as people who typically are concerned about revenue and how to grow revenue, what's changing in how I grow revenue and those kinds of issues. So I know one of the things that pretty well any one of those individuals can do is take a look at their website and see what the calls to action are that are there. In many cases almost every call to action is a button that says; if you are interested in this information "contact us" for a conversation.

So could you just comment on that, and comment on some of the things people can learn and some of the subtleties that they can get into in terms of how to use Web tools to generate little bit more diversity of calls to action.

LOUIS: Sure, and that really feeds into the whole area of what's called conversion optimization and that is, once you've been successful in getting someone to come to your website, you then have to be successful in getting them to do what you want them to do; and that's a call to action. Those calls to action can be any number of things. They can be sign up for a webinar. Get a free trial. Download a whitepaper or an info graphic. Talk to an expert today; and have a chat window that they can talk to someone. You know the essence of marketing technology, of digital marketing is testing. So you need to put out a lot of different things especially when you're starting and see what it is your market responds to. You know, as you said a few minutes ago Peter, when you do something like Google ad words, not only are you advertising but you're getting a tremendous amount of customer research. Your finding out what keywords are they searching on. What ads appeal to them? Because, you may have put up 10 or 20 different ads and you find out that some get clicked on and some don't. You find out what offers, in those ads appeal to them. That's the kind of constant learning that you need to be doing and you know, having done digital marketing for 15 years and knowing many other people who do, it's constantly surprising. It's a lot of fun that way, but let me give you one example.

I was talking to the head of digital marketing of a very large insurance company. She said that they see very different results if they advertise for "car insurance" or "auto insurance". The difference is not just how many clicks but the demographics of the people, who click on those ads based on those two different terms, are very different. So that's a key thing to understand. Also, if you are doing A/B testing of something; let's say, you know your A gets 70% of the clicks. Well, some people's inclination is going to be; so well look at that, they got 70% of clicks. We are going to discontinue the B sample because it only got 30%. Let's go with the A and get way more clicks. But it may be that the people are clicking on A are different from the people who were clicking on B. So you actually have to delve down a little bit and understand, not just that difference happened but why did it happen? And does it represent different people? Different users? Different personas and maybe you need to continue both the A and the B but, you have to make sure you get B in front of the people who are going to respond to that and get the A in front of the people who are going to respond to that. So it's always challenging and its always complex and it's always a lot of fun.

PETER: Excellent stuff!

So I've got one more question, just to give a heads up. As planned we are going to try to keep this to under 30 minutes.

The next question is; to seek your comments on tracking and engaging and lead management. So one of the things like capturing someone's e-mail address is an important stage in doing something; you don't necessarily call them right away, because trying to rush a sales process usually doesn't work. What are your comments about having an organized way to track, decide when to engage and then manage the

contacts that you got once you got a name and an email and the company that they work for? And, using that information as it matures in a productive way.

LOUIS: Well, that is one of the places where marketing automation can be so valuable. Because absolutely, you want to do whatever you can to get the contact's name and email address. Because email marketing is what I call the 800 pound gorilla of digital marketing. But then once you have that, as you rightly said, you don't want to just immediately call up everybody who gives you their name and email address – and yet there is nothing more frustrating for me when I download a whitepaper and 30 minutes later I get a call from a sales rep. It's like; I'm not interested in buying right now, I'm just interested in reading this whitepaper. With marketing automation, you can track: Are people opening your emails? Which people are opening your emails? Which people are coming back to your website? What are they looking at? What are they downloading? What are they signing up for? You integrate that with your CRM and set up lead scoring. So that, you understand who are the right people. They are in the right company. They are in the right position in the company and they're doing what Eloqua, I love this term, calls "digital body language". You can tell from the digital body language, that they are engaging with your content in a way that indicates that they're interested. When you got those characteristics, combined, when you've got the right people who are actively engaging with your content, then you've got someone you want to call up.

PETER: Excellent. I thank you very much Louis. Do you have any other last comments as we wrap up the call?

LOUIS: You know one thing – that blog post for the Harvard Business Review is kind of the digital of marketing technology starter kit. If you want to put a link in this podcast to that, that might be valuable for people as a useful tool for them to read.

(Link to HBR blog post: <https://hbr.org/2014/11/7-marketing-technologies-every-company-must-use/>)

PETER: You and I can talk about how to help people find other ways to get access to some of this great material that you've written and are contributing. So on behalf of SmartFunnel.com and the work that we do in helping marketing and sales people thrive and succeed it's my pleasure to thank you very much Louis for being with us today and to wish you a very fond farewell.

LOUIS: Thank you Peter, I enjoyed it.