Six Strategies for Kicking your CRM Into Overdrive

How to use high-test data to fuel B2B sales and boost CRM performance

zoominfo™

Table of Contents

Six Strategies For Kicking Your CRM Into Overdrive

How to use high-test data to fuel B2B sales and boost CRM performance

How to use high-test data to fuel B2B sales and boost CRM performance

One common denominator among both start-ups and Fortune 1000 companies is the struggle to maintain accurate, up-to-date contact information in their Sales Force Automation (SFA) systems. Early-stage organizations are still struggling to build a database of valid contacts within their target markets, while larger firms typically have to filter through a sea of older records-often cluttered with incomplete, invalid contact information-in order to coordinate an outbound sales campaign.

According to recent research from leading benchmark firm Sirius Decisions, between 10% and 25% of B2B customer and prospect records include critical data errors ranging from incorrect demographic data to a lack of current disposition. Those estimates are consistent with research from Marketing Sherpa, which found lead generation contacts typically "go bad" at a rate of 2.1% per month, as executives transition to new positions and companies change names, relocate, etc.

For smaller companies still building out their prospect database, email is typically the most common communication medium, but it is also the most difficult database to keep current. Email service provider Exact Target recently calculated average email list growth at 35-40% per year, after attrition of approximately 25%. Since the ownership and management of the contact database is often shared across a number of departments and staffers, the inability to build and maintain an accurate and up-to-date contact database is often the biggest roadblock to companies developing successful demand generation programs. Sales reps become frustrated following up on leads that turn into dead ends and marketing is hesitant to invest in lead gen campaigns that result in more bounce backs than inquiries.

To overcome these inefficiencies, many B2B organizations are integrating business intelligence tools directly into their CRM systems to enable their teams to quickly find and qualify relevant current contacts. By combining prospect intelligence with CRM applications, companies are able to search for contacts and companies from within their CRM and then merge the up-to-date records into their existing database. In the following white paper, we will highlight six strategies leading B2B organizations have implemented to improve the results of their marketing campaigns as well as the efficiency of their sales organizations:

1–CLEANING HOUSE: DE-DUPING OVERGROWN DATABASES
2–FRESHENING UP: ADDING EMAIL, KEY FIELDS TO YOUR CURRENT CONTACTS
3–DRILLING DEEPER: USING EXISTING BUYERS TO UNCOVER NEW PROSPECTS
4–SEGMENTING CAMPAIGNS: PROFILING PROSPECT GROUPS
5–MAKING SMARTER SALES CALLS: INCREASING RELEVANT OUTREACH
6- REDUCING INEFFICIENCIES: CUTTING THE COSTS OF BAD DATA.

"Between 10% and 25% of B2B customer and prospect records include critical data errors"

1—CLEANING HOUSE: DE-DUPING OVERGROWN DATABASES

After a few years of going unmanaged, it is not uncommon that companies wind up with CRM systems filled with duplicate records that contain multiple variations on contact information.

The database duplication process typically unfolds like this: John Smith from Acme Products registers for a webinar and uses his personal email address. He then stops by your trade show booth three months later and leaves a business card with a direct phone number and his business email address. Then later that same year he moves to a new division of the company and downloads a white paper using a completely different set of contact information.

The amount of prospect and customer data in the average B2B organization typically doubles every 12 to 18 months, according to Sirius Decisions data. That means your database of 10,000 records will likely have 20,000 contacts next year and more than 30,000 a year later. While that might sound like good news, anyone who has ever been responsible for administering a contact database will quickly attest to the challenges that come with keeping records up-to-date and accurate.

Many leading companies have tackled this challenge by using automated solutions to de-dupe their existing CRM databases. In order for this process to have maximum impact for both sales and marketing, it is critical that this process not only removes duplicates but also finds and verifies the most current and accurate contact information for a prospect and provides the ability to update that record directly with the CRM system.

Companies having the greatest success with this de-duping process are making this a collaborative process. Therefore, rather than a CRM administrator simply chopping off any records that look like repeats, the sales team is notified of the change and alerted to the updated contact information now available within the system.

In their recent Research Brief titled, "The Impact of Bad Data on Demand Creation," Sirius Decisions stressed that data cleansing should be addressed on an ongoing basis, rather than being viewed as a one-time project; "The fundamental trouble with one-time data cleansing is that the day the project ends, the data is the cleanest it will be until the next round of contacts is added to the database."

"The fundamental trouble with one-time data cleansing is that the day the project ends, the data is the cleanest it will be until the next round of contacts is added to the database."

2—FRESHENING UP: ADDING EMAIL, KEY FIELDS TO YOUR CURRENT CONTACTS

One of the biggest challenges for marketers in trying to align their demand generation efforts with existing prospect files is working with incomplete records. Marketers often inherit databases where 30% to 40% of the contacts do not have email addresses included. This represents a significant hurdle for marketers looking to move their messaging from telesales to a digital dialog which can be measured and tracked.

Many leading B2B organizations are addressing this challenge with the help of email append services. Information service providers who specialize in appending emails can quickly match a company's database against their own permission-based database to produce corresponding email addresses. This simple and surprisingly affordable process can expand the number of accurate email records in a B2B database by as much as 40%, depending on the size of the file. Once the master data file is updated in the CRM to include the corrected email addresses, sales and marketing teams across the organization will have access to the same fresh data.

Jackie Terry, manager of marketing programs at Kronos, Inc., recently used ZoomInfo's append service to update contact information for a sizable list of potential buyers. "We had a target list of more than 100,000 decision makers, but no email addresses. ZoomInfo was able to quickly fill in the blanks supplying us with tens of thousands of fresh contacts," Terry said.

Appending email addresses is an increasingly popular and proven way for marketers to boost delivery and response rates. It also helps sales reps to convert stale contacts into active leads. Providers of data services can also append other contact valuable information including postal addresses, phone numbers, URLs, and more.

"We had a target list of more than 100,000 decision makers, but no email addresses. ZoomInfo was able to quickly fill in the blanks supplying us with tens of thousands of fresh contacts."

Jackie Terry
Manager of Marketing Programs
Kronos, Inc

3—DRILLING DEEPER: USING EXISTING BUYERS TO UNCOVER NEW PROSPECTS

Once companies are working with a de-duped database that has complete contact information, they often start to uncover the real power of their existing customers and prospects. Again, by integrating intelligent database tools, many B2B companies have uncovered other prospects within the same vertical markets and quickly imported current information about those companies and contacts directly into their CRM or SFA system.

For example, Widen Enterprises recently accelerated its prospecting efforts in the graphic communications business by integrating ZoomInfo's Pro application into Salesforce.com. According to Widen's VP of sales and marketing Matthew Gonnering, Widen sped up its average sales cycle from 10 months to 90 days. For example, a search for marketing managers in the hospitality industry yielded a targeted list which they imported directly into Salesforce for the sales team. When a sale closed, they used ZoomInfo to identify a new client's competitors as likely prospects.

"Rather than risk investing money into lists that may be outdated or inaccurate, our marketing department began building prospect lists using ZoomInfo Pro," Gonnering says. "By leveraging the tool directly within Salesforce and our CRM workflow, it's easy to find key contacts and build lists of prospects. Using those contacts, our sales team has closed so much business that it has paid for itself."

Scott Gillum, author of the B2B Sales & Marketing Knowledge Sharing blog and an executive with the GyroHSR agency, further suggests "Try mining your existing accounts for opportunity and you might just find a gold mine in your own back yard."

In the recent Forrester report, "How Managing Leads Pays Off In A Stronger, More Qualified Pipeline," the first of four Key Performance Indicators (KPIs) identified by Laura Ramos to optimize lead management was targeting. Ramos recommends you "Learn who your best customers are, how they buy from you, and which activities or behaviors increase their propensity to buy. Prioritize what you learn against the new opportunities and audiences you want to pursue."

Brian Hession, President of Massachusetts-based list intelligence provider Oceanos, recommended this approach as a key to list success in 2010, "It starts with the identification of the target accounts and then implementing a systematic approach for leveraging the data sources that contain the appropriate decision makers and influencers."

Leading industry analysts have pointed to the integration of prospect intelligence into traditional CRM environments as a key component of the emergence of Sales 2.0 environments. "Salespeople are looking for technologies to help them cast a broader net into a more defined or specific set of accounts or opportunities so they can do a better job to cross sell and upsell inside the existing base," said Joe Galvin, VP at Sirius Decisions. "The balance of that demand generation that doesn't come from marketing is up to them, and they need tools to help them do that."

"Rather than risk investing money into lists that may be outdated or inaccurate, our marketing department began building prospect lists using ZoomInfo Pro."

Matthew Gonnering

4—SEGMENTING CAMPAIGNS: PROFILING PROSPECT GROUPS

In addition to fueling the sales prospecting process with more targeted names, many B2B marketers are seeing stronger results by focusing their marketing campaigns on more targeted prospects. These "micro campaigns" have messaging and offers aimed at smaller groups within specific job titles or vertical markets, and have been producing much higher open and click-through rates.

"I expect to see more focus on behavior-based segmentation in driving personalized and customized content for each campaign," said Henry Bruce, President of The Rock Annand Group, a NY area consultancy. "I believe 2010 will see marketing working even more closely with sales to define campaigns for very targeted groups of prospects. Using more online prospect intelligence tools such as ZoomInfo, campaigns will be executed for prospect groups of 25-50 with a very specific call-to-action that sales/inside sales calls on within 48-72 hours for follow up. I have been executing a number of these type campaigns over the past few months with very strong results."

In a recent example of successful profiling, SK&A Information Services, a provider of health care information solutions and research, used ZoomInfo to build a database of prospects focusing on four principle health care industries and a variety of unique keywords submitted by the company's VP of Marketing, Jack Schember. Based on Schember's precise criteria, ZoomInfo delivered a list of 20,000 prospects that included all the pertinent contact information including valid email addresses and telephone numbers.

SK&A used the updated contacts to launch targeted brand awareness campaigns and reach out to previously untapped prospects. While Schember had been seeing delivery rates of only 70% with less targeted lists, he netted a 95% delivery rate with the segmented list pulled from ZoomInfo, as well as a significant uptick in open rates.

"Using more online prospect intelligence tools such as ZoomInfo, campaigns will be executed for prospect groups of 25-50 with a very specific call-to-action that sales/ inside sales calls on within 48-72 hours for follow up."

Henry Bruce
President
The Rock Annand Group

5—MAKING SMARTER SALES CALLS: INCREASING RELEVANT OUTREACH

Since most B2B companies have looked to reduce or maintain overhead levels during the recent economic downturn, the efficiency of their sales team is a top priority. With that in mind, many companies have looked to integrate list intelligence tools with their CRM or SFA system to arm their sales team with relevant background for their outreach.

By integrating list intelligence tools, sales teams not only have up-to-date contact information on targeted prospects, they can also import in-depth profiles to gain insight on prospects and build commonality faster. This "warm calling" approach provides a sales representative with background on organizations the prospect is involved with as well schools they have attended and recent speaking engagements. Connecting the profiling tools directly to the CRM also allows a sales executive to save that relevant information for follow-ups and reminders.

Tom Flynn, VP of marketing at Lavante, a provider of On-Demand Profit Recovery Technology, said integrating ZoomInfo with Salesforce.com has made it easier to construct and implement outbound marketing campaigns. The fact that they can now get current prospect information from a single source in real time has also made their sales organization more efficient. "It simplifies the daily work of both inside and outside sales," Flynn said. He added that

ZoomInfo enables Lavante's sales reps to update their CRM files on the fly, "As soon as they learn something new about a lead, they can immediately put the information into the proper context and add strategic notes to their pipeline." Lavante has also used the ZoomInfo integration to connect with the right contacts in their target market—from accounts payable personnel up to the CFO level. The teaming of the expanded contact list with in-depth profiling, has helped Lavante do what Flynn calls "radiating around leads" to get past gatekeepers and engage with the appropriate decision maker. He explains, "With ZoomInfo, you can go up a level, or look laterally, or even search a level down, to find that key person at your target organization with whom you can start a conversation."

"Integrating ZoomInfo with Salesforce.com has made it easier to construct and implement outbound marketing campaigns"

Tom Flynn
VP of Marketing
Lavante

6—REDUCING INEFFICIENCIES: CUTTING THE COSTS OF BAD DATA

Beyond the payoffs of more effective marketing campaigns and better results from sales prospecting, companies who have integrated list intelligence tools into their CRM systems are improving bottom line performance by eliminating or reducing wasteful spending on "spray and pray" campaigns and cold calling.

The database is typically overlooked as a strategic asset, and therefore spending time and money to update and integrate the information is not prioritized. The Sirius Decisions "Bad Data" briefing pointed out: "The longer incorrect records remain in the database, the more expensive it becomes to deal with them."

Sirius Decisions estimates that organizations that have an early-phase data strategy in place can expect an estimated 25% uplift in conversion rates between the inquiry and marketing-qualified lead stages. The research consultancy pointed out that most companies also see improvements at later phases in the Demand Creation Waterfall model. For example, Sirius Decisions estimates that clean data can shave as much as 5% off a rep's time to convert sales accepted leads to sales-qualified leads. That's because with clean data at his or her fingertips, the rep isn't saddled with the additional task of contact discovery to make a connection.

Using an example of a prospect database of 100,000 names and a campaign response rate of 2%, Sirius Decisions projected a strong organization would realize nearly 70% more revenue than an average organization purely based on data quality. Sirius Decisions concluded poor data quality impacts all areas of customer acquisition and management. "It isn't just a marketing issue...a best-in-class data strategy is shared by marketing and sales, and is focused on quality from cold to close."

"Organizations that have an early-phase data strategy in place can expect an estimated 25% uplift in conversion rates between the inquiry and marketing-qualified lead stages."

CONCLUSION

For many B2B organizations, the CRM system serves as the lifeblood of the company, housing critical data on existing customers as well as sales prospects. Unfortunately, the task of maintaining up-to-date and accurate information within the CRM system is often poorly managed within companies large and small.

Because both marketing and sales teams actively use the systems, there are typically too many "hands in the cookie jar" adding new records and often forgetting to update older records. The freshness and accuracy of the database is usually not a priority for companies until it is too late—usually when the performance of both sales and marketing plummets.

Many progressive companies are getting a competitive edge by incorporating sophisticated list management and data intelligence tools into their CRM. For example, more than 300 Salesforce.com users are currently using ZoomInfo's Pro application to match target accounts, import missing contacts, merge records, and generate fresh prospect lists all right from within their CRM. Likewise, users of Microsoft Dynamics, Oracle CRM On Demand and Sugar CRM are also turning to ZoomInfo to find new leads and enhance the data they have for existing prospects.

Data intelligence tools and append services are not only allowing companies to de-dupe and refresh their existing databases with accurate records, they are enabling companies to penetrate deeper within prospect organizations by identifying other relevant executives. They are also making CRM systems smarter by adding further background and intelligence on companies and executives right into the database, which allows sales reps to quickly research their prospects before they pick up a phone or walk into a meeting.

About ZoomInfo

ZoomInfo™ is the leading B2B directory and business information provider that offers real-time, in-depth profiles of millions of businesses and employees and the market's most powerful tools for searching and targeting. Its products help businesses efficiently connect with each other to accelerate their growth. For more information, go to www.zoominfo.com or call 866-904-9666.