



Why you need a Marketing Automation platform along with your CRM

With Marketing Automation platforms aplenty gaining ground in an already crowded Marketing Technology marketplace, this whitepaper endeavors to validate if such a deployment makes sense for your business, especially if you have already implemented or are in the process of implementing a CRM solution.

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Table of Contents

<u>INTRODUCTION</u>	3
<u>EVOLUTION OF CRM AND MARKETING AUTOMATION PLATFORMS</u>	4
<u>THE CROWDED MARKETING TECHNOLOGY SPACE</u>	5
<u>WHY MARKETING AUTOMATION?</u>	7
<u>ISN'T CRM ALONE ENOUGH?</u>	9
<u>A MATCH MADE IN HEAVEN?</u>	11



Introduction

More often than not we are asked, why should we invest in a marketing automation platform, especially since I have already invested or am planning to invest in a CRM deployment for my organization. On the face of it, this is a very interesting question, since most CRM platforms have a marketing module as an add-on available.

But what Peter Dicken first wrote several decades ago in his book *Global Shift* continues to hold true today:

“... technology in, and of, itself does not cause particular kinds of change. It is, essentially, an enabling or facilitating agent.”

In this white paper, we endeavor to explore the various scenarios under which investing in a Marketing Automation, over and above a CRM solution, makes sense for your business.

Evolution of CRM and Marketing Automation platforms

Before we get into the crux of this whitepaper, it may be pertinent to understand the way marketers have adopted the two technologies for their requirements. CRM systems have existed in some form for over a couple of decades now, but marketing automation platforms are the newer kids on the block, so to speak.

CRM platforms evolved from the 'Database Marketing' construct prevalent in the 1980s, having evolved into 'Relationship Marketing' and 'Account Based Marketing' based constructs of the 1990s. From there, the onus moved to setting up relationships with individual customers, which led to the earliest versions of the Customer Relationship Marketing (CRM) systems we are used to seeing today.



However, in this entire journey, the entire onus was still on transactions, where the key triggers for any activity or milestone were transaction based. Companies are evolving to recognize that they need a means to track and influence the interactions that precede the intended transactions. The focus thus has moved from a workflow management system that aligns with company centric processes to being more open and customer process oriented. In terms of channels as well, while traditional CRM systems were limited to few predefined sales channels, social CRMs are more in tune with customer defined dynamic channels. Rather than the traditional push message based communication, the entire focus moved to customer initiated communication. This marks a fundamental change in the way most organizations were attuned to do business.

With Inbound Marketing gaining traction, many organizations started modifying their processes so that customers could start reaching out to them instead of the other way around, which was the norm. As Inbound Marketing gained ground, marketers were faced with a challenge around how to deal with the complexity that came with managing the multitude of dynamic channels around Inbound. Traditional CRM systems struggled to keep pace with the changing and dynamic channels that customers were using to connect with the brands.

In this background, technologies like Marketing Automation platforms came into the picture.

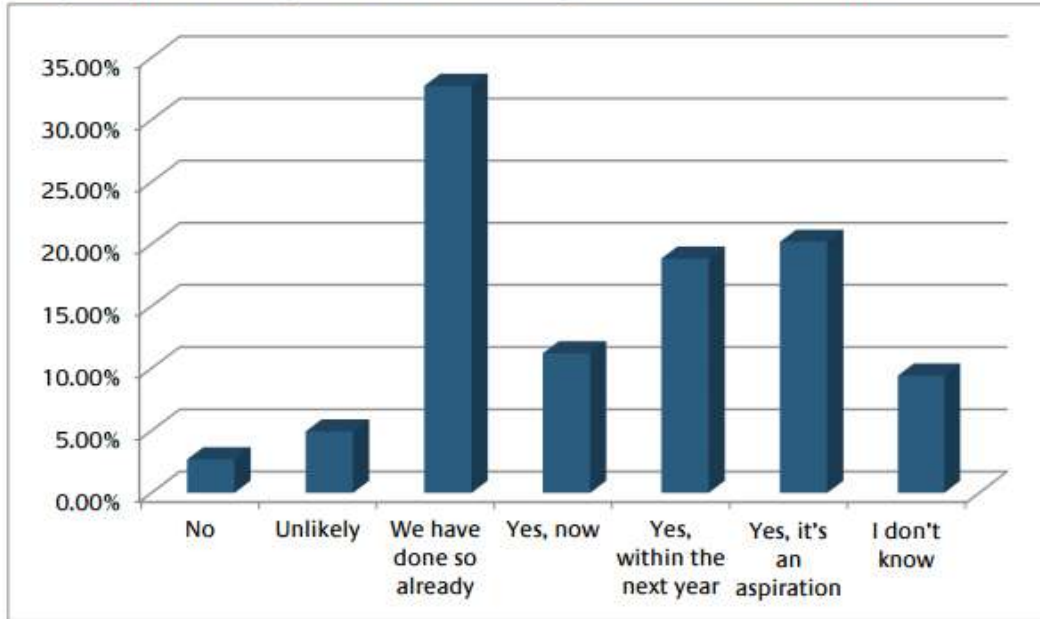
The crowded Marketing Technology space

The Annual Marketing Technology Landscape report published by ChiefMartec showcases 3,874 Marketing Technology (MarTech) players in 2016, globally. The number of MarTech players have been doubling year on year, on an average. In this scenario, the choice of a right partner is of paramount importance for brands across the spectrum.



A major reason for this crowded market space is the increasing acceptance and adoption of such platforms by marketers, across the globe. IDC forecasted the marketing technology spends to exceed \$32 Bn annually by 2018. The table below showcases an excerpt from a 2015 research where over 80% of marketers did not dispute the benefits that could be accrued by a Marketing Automation platform, and had already implemented or had plans to implement a platform in their organization.

Do you plan to implement marketing automation software?

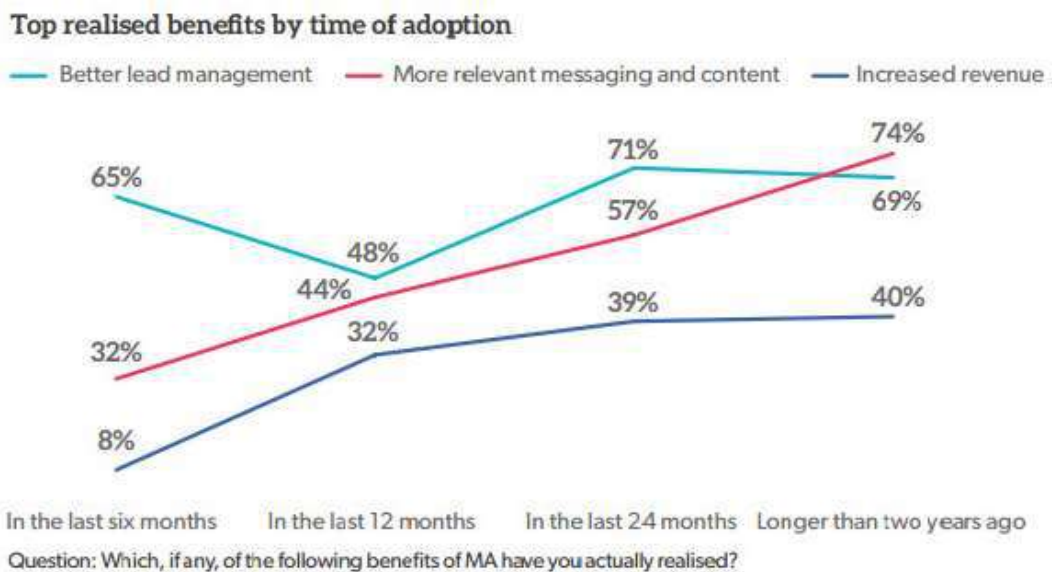


Source: Apteco Ltd "Trend Report Data driven marketing" (2015)

Why Marketing Automation?

Marketing Automation is being implemented by companies of all sizes, across the spectrum. Having said that, there is however a clear bias shown by larger organizations (over \$500 Mn in annual revenues). Larger organizations are using Marketing Automation as a 'feed' to their CRM platforms, while smaller organizations are using the Marketing Automation lead management modules for their CRM requirements.

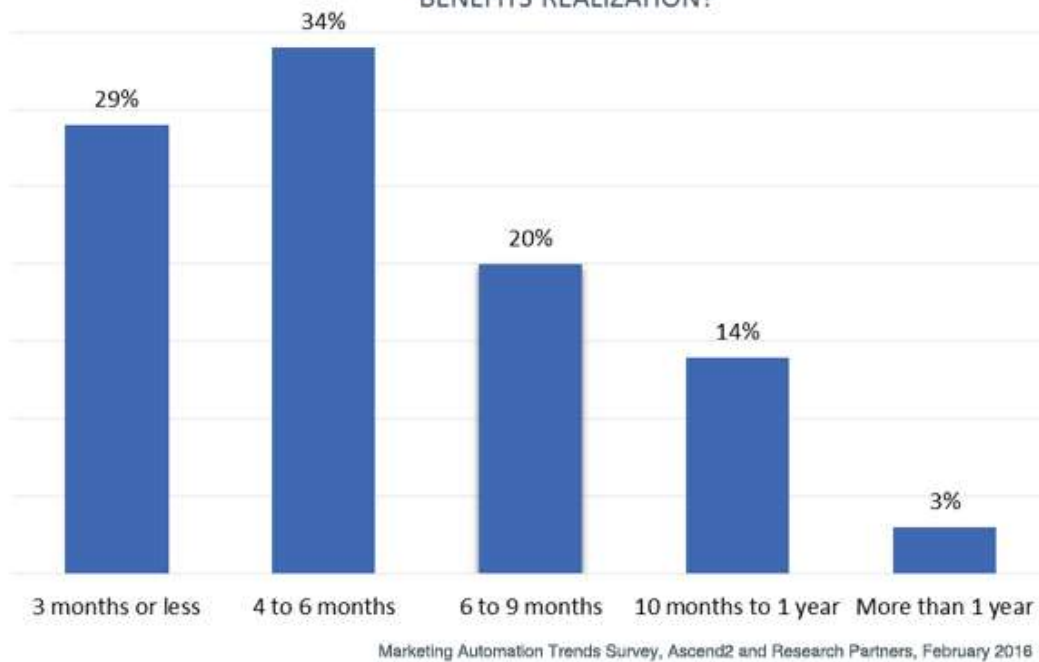
Plenty of organizations implementing Marketing Automation realized incremental revenue by driving relevant and engaging messaging and content for their customers, while most found it valuable for better lead management.



Source: *B2Bmarketing.net* and *Circle Research* "Benchmarking Report Marketing automation" (2015)

An overwhelming majority of such organizations realized the benefits of Marketing Automation within the first year.

What is a reasonable timeframe from SYSTEM IMPLEMENTATION to BENEFITS REALIZATION?



Ideally, Marketing Automation software would be beneficial to your organization if:

- There are a large number of prospects generated by your business
- Your sales team needs a constant source of leads to feed their funnel
- Your brand/ business has multiple lead generation sources like newsletter subscriptions, events and tradeshows, customer contacts, etc. that you wish to drive
- Your brand receives a decent number of prospects that can potentially add to your sales funnel
- If your brand is involved in selling of a product or service that a customer/ prospect is likely to research across multiple sources before making a purchase decision
- Your team performs a lot of marketing tasks like sending out mailer communication manually, whereby their time usage could be optimized by automating such tasks



Isn't CRM alone enough?

In today's competitive market, most businesses will definitely benefit from an optimal CRM implementation. But CRM systems typically are not capable of handling the complexities brought about by a multitude of channels, and have limited lead scoring capabilities at best. Because of the genesis of the platforms, CRM systems are also attuned to captured transactions rather than interactions across channels, which Marketing Automation platforms are competent to capture and analyze.

Most CRMs also would only have basic email or SMS marketing capabilities, while Marketing Automation platforms would provide comprehensive campaign building and execution functionalities, to drive and track higher conversions. In addition to the website tracking features that are standard on most Marketing Automation platforms today, these act as a strong case builder for investment in Marketing Automation for your business, even or rather especially if you have a CRM platform deployed.

Ideally, Marketing Automation software in addition to a CRM platform would be beneficial to your organization if:

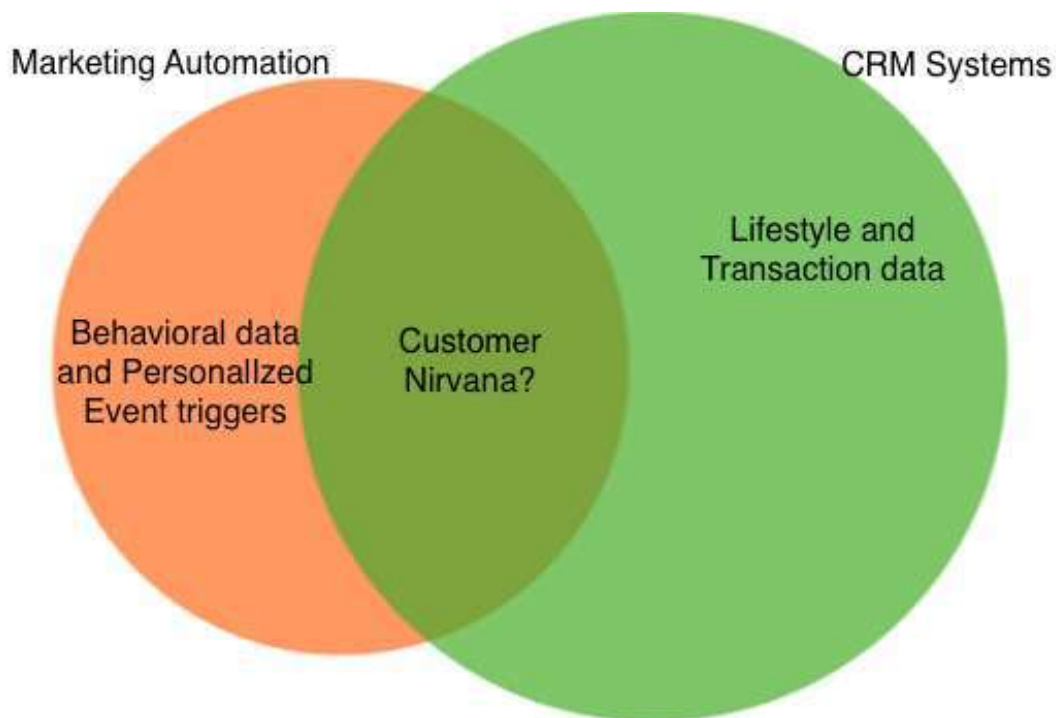
- Your sales team is responsible for maintaining existing business and generating new leads
- Your sales team manages a moderate to large number of customers and prospects
- Your customers research online before making a purchase decision
- You have an active online presence across your website and social media channels for interacting with customers and prospects
- You would like to conduct Cohort Analysis or similar behavioral segmentation on your data set
- You are looking to drive higher conversions and ROI from your marketing spends

This obviously comes with a qualifier - Neither CRM nor a Marketing Automation solution will entirely solve a company's particular problems simply by virtue of being implemented. Hence is it imperative you choose a right partner specific to your processes and business problems and objectives.



A match made in heaven?

To put it simply, Marketing Automation is ideal for companies looking to optimize the top of the funnel while CRM systems are more suited for companies looking to optimize the end of the funnel. Marketing Automation acts as the marketing complement to your CRM platform. CRM systems capture your sales data but the task of engaging with your prospects within triggered communication framework lies with Marketing Automation. CRM defines your strategy but Marketing Automation would embed the strategy and also drive execution.



The choice of the right Marketing Automation platform however is dependent on your business.

Moreover, in a B2C environment when you are dealing with hundreds of thousands of leads any given day, a B2B system may not be the ideal platform you would want to rely on, and you would be better off looking for a B2C Marketing Automation platform than a typical B2B Marketing Automation platform. But that is a topic for another white paper.



FirstHive is a proprietary, patent pending, SaaS based cross channel marketing platform. Some of the world's largest brands are using FirstHive to drive their sales and marketing objectives. FirstHive™ is an all-in-one marketing platform that the marketers get access to; enabling them to put forward and execute very focused, customer centric marketing strategies.

FirstHive enables the enterprises to get a 360 degree view of each individual customer of theirs. It does so by capturing the interactions of the customers across channels, analysing the interaction data and providing intelligent consumer and business insights to the brands. It brings in multiple functionalities to help solve business problems – Data capture and management, analytics, campaign management, digital marketing, inbound marketing, and social media management. While traditionally this product was exclusive to the domain of very large global brands, with the launch of the Beta of the FirstHive DIY (Do It Yourself) product in the year 2016, the same technology is now available for SMBs globally.

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