

From Leads to Deals

Driving Growth with B2B Demand Generation

White Paper



01.

Introduction

How Does a B2B Business Operate?



An abbreviation for "Business to Business," a B2B setup streamlines the production process, especially when compared to B2C or B2G setups. This business model is the backbone of e-commerce supply chains worldwide and is worth an estimated **\$9 billion** in 2023. Businesses choose this strategy primarily to help lower their cost of production.

For example, **Apple is as much a B2B company** as it is a B2C brand. When building iconic products like the iPhone, Mac, iPod, Apple does not rely on its manufacturing alone. The hybrid model allows the company to delegate the manufacturing of product parts to other businesses. According to a **2021 report**, Apple has over 200 suppliers for their assembly lines which consists almost 98% of its production.

Some of the most well-known businesses associated with the brand are Intel and Qualcomm. Even **Samsung**, despite being a competitor, supplies Apple with essential product components like flash memory, DRAM, and application processors from its South Korean facility.

Similarly, for dealing with soft assets, Apple has contractual relationships with media companies to produce content, promote products, and create designs.

02.

Overview

B2B Sales and Marketing

The B2B marketing model is based primarily on appealing to other companies. Unlike B2C or Buyer to Customer sales, this model focuses on ample scale supply. B2B businesses cater to corporations, firms, and manufacturing industries not individual buyers.

Survey shows that this mode of sales has a buyer pool as a result. However, the sales volume of B2B businesses is also remarkably higher than B2C companies. Individual consumers typically buy singular items/services, while companies buy in bulk.

Thus a single sale for a B2B business may equate to 1000 purchases made on a B2C site.

But with fewer consumers to appeal to, these businesses must also be more targeted in their approaches. For this reason, marketing campaigns and sales strategies can either make or break a deal when selling products and services to other businesses.

According to industry reports, opting for hybrid models may help B2B businesses stay afloat between low business periods.



03.

Understanding **B2B Sales Process**

Lead Generation

In a typical B2B sales and marketing setup, the sales process begins with lead generation. During this process, the team works to process incoming leads. During the lead generation phase, the company seeks to secure potential customers interested in purchasing their products or services.

Businesses can generate leads through website optimization and supply/procurement exchanges. They can also integrate more direct marketing strategies like cold calling, email campaigns, and multimedia adverts to gain customer inflow.



Qualifying Leads

By improving visibility, these methods help businesses optimize their leads. Once a lead is identified, the next step is to qualify the potential customer. A company salesperson analyzes the lead to determine the success rate of the lead. If the visitor's interests and demands align with the company's offering, the lead is more likely to generate positive results.





This verification process is called lead qualification.

Once the visitor is identified as a successful match, i.e., predicted to make a purchase, the salesperson gets in touch to close the sales deal. During this process, the employee may present a sample/demonstration of the product or service to the customer. The two parties will then work closely to negotiate a mutually-agreeable price and finalize the deal.

Finalizing Sales Deals/ Customer Retention Services

Relationships are crucial in this industry, so post-sales service is an integral part of B2B business deals, and offering additional products or services can increase client satisfaction.

Staying in touch via calls or emails will also help customers feel valued. Bad service can result in up to 96% of clients not returning for a second purchase. Customer retention services like these also offer discounts and promotions to long-term clients. Sales strategies like these help B2B businesses thrive in the competitive environment. Reports show that a strong after-sales service can improve brand image and encourage customer loyalty.



04.

Importance of

Demand Generation in Business Growth



Demand generation refers to creating buzz about a product/service to generate leads. Services like these are geared towards driving potential customers to make purchases. Therefore, demand generation is a vital component of the sales funnel as it is the initial step in converting potential prospects into customers.

Additionally, by integrating these strategies and innovating their business models, companies ensure that they stay relevant in the industry. The sales and marketing tactics used for demand generation often incorporates the latest trends and technologies, helping B2B businesses attract and retain customers.

Word- of- mouth referrals are another important tool in demand generation. In fact, 65% of all accounts for new businesses come from existing customers. These leads are 4X more likely to convert than typical prospects. A customer-referred client also has a 16% higher lifetime value.

05.

Understanding B2B Demand Generation:

Definition and Key Components

Reports show that over 68% of B2B businesses struggle with generating leads. This rate comes despite them spending over 53% of their budget on these tasks. Demand generation is a market approach geared at driving interest and awareness building leads. This process involves multiple methods, all to generate buzz in the B2B marketplace.

B2B demand generation uses marketing teams to optimize lead generation. These teams use multiple media channels and tactics to help the sales team gather leads. Demand generation strategies accelerate business growth by delegating teams to numerous channels and marketplaces.

For example, in demand generation, the work may be divided across departments and teams like social media, marketing, field marketing, and campaigns. These tactics help maximize a company's exposure by increasing visibility. In addition, these teams work to improve a business's appeal by marketing them on platforms as diverse as social media, webinars, trade shows, and more.



Key Components of Demand Generation



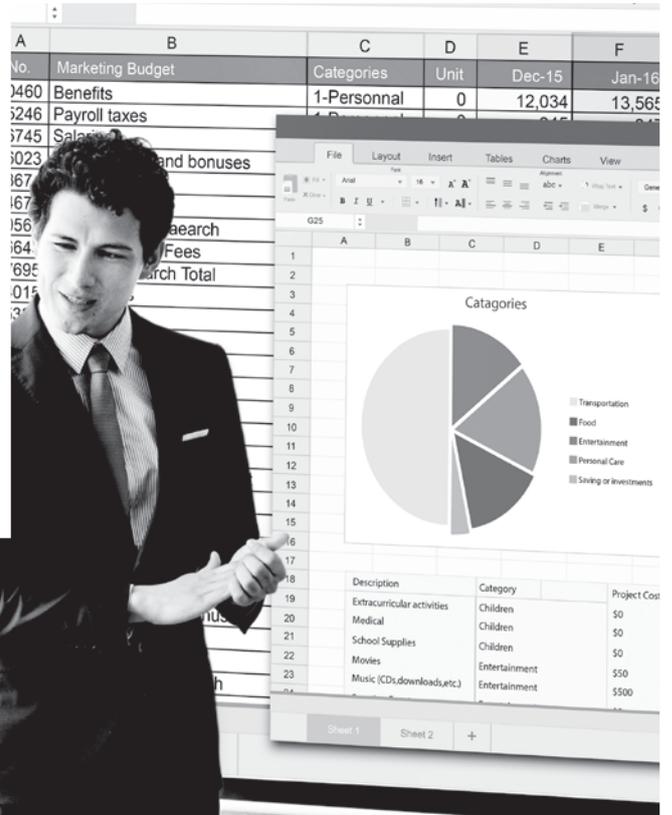
Search Engine Optimization

Integrating SEO strategies is an integral part of a B2B marketing strategy. Business to Business marketplaces generally see fewer buyers than B2C platforms. Companies must therefore optimize their website visibility by improving their rankings on search engine results. A higher SERP rank encourages a higher rate of traffic inflow. To optimize their website content, businesses may have to innovate by introducing more secure servers, integrating mobile-optimized services, and building high PR backlinks. Over 60% of B2B businesses have reported significant gains from integrating SEO solutions.



Lead Nurturing

An integral part of the B2B service, lead nurturing is at the heart of any successful lead conversion. This marketing strategy is centered around building relationships with potential customers, be it via effective lead management or attractive incentives.



06.

Understanding

B2B Demand Generation

Differences between B2B and B2C
Demand Generation: B2B
(Business-to-Business)

The primary difference between B2B and B2C demand generation is the target audience. Simply put, Business to Business demand generation targets potential buyers from other businesses, while Business to Consumer demand generation targets individual consumers.

B2B business models are generally aimed at large-scale resource procurement. For example, an automobile company may enter into a contractual relationship with an iron and steel manufacturer to create frames for their vehicles.

These contracts aren't made in typical buyer-based marketplaces. For B2B businesses, the demand generation strategies thus center around events such as trade shows, webinars, and email campaigns.

In contrast, B2C demand generation involves social media campaigns, influencer marketing, and television commercials. The difference exists because the latter targets individual buyers rather than larger-scale businesses.



07.

Role of Marketing in **Demand Generation**

Compared to B2C marketing, B2B tactics are more complicated and require more careful strategization and analysis.

Marketing in demand generation for these models is aimed at outreach

rather than lead retention. The sales and management teams work to strengthen and establish existing accounts, while marketing teams operate intending to generate or increase leads.



08.

Developing a B2B Demand Generation Strategy

Identifying Your Target Audience (ICPs)

B2B business's, a demand generation strategy starts with identifying its target audience. Also known as identifying your Ideal Customer Profile, ICP is an integral part of this process. This profiling of leads offers companies a detailed description of the ideal customer. Businesses then use this data to create campaigns and marketing targeted at this specific audience.

An ICP should include demographic, firmographic, and psychographic information to help companies makes the most effective marketing strategies. This data allows businesses to curate the most detailed profile to help them avoid unqualified leads. In addition, detailed descriptions based on this information help companies avoid leads with low chances of conversion and instead focus on creating specific campaigns for highly profitable accounts.

Typically, the demographic information in an ICP includes age, gender, location, and income level. Meanwhile, the firmographic information in these customer profiles consists of valuable niche data like industry, company size, and revenue. By leveraging this data, marketing and sales teams can avoid noise and low-potential leads.



Creating Buyer Personas

Though similar, buyer personas aren't the same as ICPs. For one, an Ideal Customer Profile(s) outlines the best types of companies for a particular business to deal with. On the other hand, buyer personas analyze people, not firms or companies. These profiles include essential information like pain

points, buyer objectives, and more.

A buyer persona is more relevant to B2C businesses but can be applied to B2B models as well. Companies can use these profiles to appeal to representatives by offering personalized services.

Developing a Lead Nurturing Plan

Compared to B2C buying patterns, B2B sales cycles take longer. For this reason, lead nurturing is more integral when appealing directly to businesses. For example, flashy marketing and attractive incentives may have brought a prospect to a company's website. However, a compelling lead retention strategy will convert this account into a buyer customer. Every such tactic aims to create a lasting connection with potential customers and guide them through the sales funnel.

The first step in developing a successful lead nurturing plan is identifying the sales funnel stages. This information informs the company

salesperson about the prospects' location in their buying journey.

Identifying a potential lead's position in the sales funnel helps businesses create custom campaigns and incentives to help them drive the deal forward. Using this data, the sales and marketing teams can collaborate on content, campaigns, and offers tailored to each stage. For example, some whitepapers educate potential customers about the product or service in the early stages of the funnel. On the other hand, introducing incentives can encourage potential customers to close the deal during the latter stages of the sales pipeline.



09.

Effective

Lead Generation Channels



Inbound Marketing

Inbound marketing is a form of marketing that focuses on creating and sharing content to attract and retain existing customers. Strategies for this include blogging, SEO, social media, and email marketing.



Content Marketing

One of the most common modes of demand generation, content marketing refers to creating/distributing content to generate leads. In this form of marketing, teams create tailored articles to attract and retain a clearly defined audience. For example, surveys show that a company posting an average of 15 blog posts in a month can generate at least 1600 new leads. This content can include blog posts, videos, ebooks, webinars, and other forms of digital media.



Email Marketing

As the name suggests, email marketing is a sales/marketing tool that relies on a company's email list to promote new services or products. The main goal of this type of marketing is to engage customers and potential prospects. Email marketing is easy to integrate and can be used to generate and nurture leads. Regularly connecting with email lists helps companies build long-term relationships and drive conversions. According to APSIS reports, 78% of businesses resort to this model to market their products and services.



Event Marketing

The primary objective of event marketing is to create and host events to entertain and engage potential customers. This form of marketing works to generate leads, build relationships, and increase sales by hosting benefits and events. Event marketing can include trade shows, pop-ups, conferences, seminars, workshops, and more. Be it a virtual or physical event, these are effective ways to build relationships with customers and create brand awareness. According to current market trends, 73% of companies use event marketing to generate leads.



Paid Advertising

For brands/businesses looking to reach large audiences quickly, paid advertising is the easiest fix. In this type of marketing, companies pay the hosts/owners for ad space. Paid advertising can include pay-per-impression (PPI), pay-per-click (PPC) ads, display ads, social media ads, and more. Generally, the price for ad spaces is finalized via negotiation between the marketers and the space owners.



Social Media Marketing

Social media marketing is a form of digital marketing that leverages content on social media platforms to generate leads. Marketing teams curate and share information on platforms like Facebook, Twitter, Instagram, LinkedIn, and more to reach potential customers and prospects. Social media marketing allows businesses to create an image that represents their brand by posting videos, pictures, and more that support this. Even spending 6 hours daily on these platforms has a 66% chance of generating qualified leads.





Account Based Marketing

Also called ABM, account-based marketing is a marketing tactic that allows businesses to target specific groups and accounts in the B2B marketplace. Using this strategy, companies can concentrate their resources and campaigns to engage each account separately.

ABM uses tactics that target the specific needs and attributes of the client. Sometimes, businesses may even appeal to existing accounts to encourage cross or upselling. These strategies are typically represented by targeted emails, personalized content, and more. Unlike other marketing models, account-based marketing is a more effective way to reach high-value accounts and build relationships with key decision-makers.



10.

Lead Qualification and Scoring

Understanding Lead Qualification Criteria

Simply put, lead qualification criteria are a set of standards used to determine the quality of a lead. For a successful conversion, a salesperson has to have specific criteria to evaluate the data gains. Over 85% of B2B businesses agree that lead generation is the most important part of marketing. Without the above-mentioned standards, marketers may lose valuable time following up on noise and weak leads.

A lead qualification criterion thus helps B2B businesses identify the most promising leads and prioritize them for follow-up. Of course, these standards can vary depending on the business and the industry. However, the B2B business model typically includes factors like the lead's budget, timeline, authority, need, and fit.



Lead scoring is a system that ranks leads based on their potential value to the business. It is used to prioritize leads for follow-up and determine which leads are most likely to convert. Lead scoring typically involves assigning points to leads based on their demographic and behavioral characteristics, such as job title, company size, website activity, and other criteria. The higher the score, the more likely the lead is to convert.



Developing a Lead Scoring Model

Studies show that businesses with effective lead qualifying criteria and scoring models can achieve at least 70% in their lead generation ROI. A successful lead scoring model typically includes a system to rank leads based on their potential value to the business. For example, for a car manufacturer, a tire company is a more valuable asset than, say, an upholstery business.

When ranking leads, a lead scoring model assigns points to criteria such as job title, company size, website activity, and more. This final score for each prospect should be determined based on the relative importance of each criterion. In addition, a lead scoring model should factor in the likeliness of a successful conversion when assigning these points.



Qualifying Leads with Marketing Automation

Integrating automation to identify and prioritize leads can increase the accuracy of the lead quantifying process. Tools like AI or ML can help categorize prospects based on their potential value to the business. This system automatically reads and ranks traffic and leads based on pre-assigned data and criteria.

With marketing automation, businesses can set up automated workflows allowing them to send notifications to leads with high scores. By asking them to fill out a form, the company salesperson can further qualify leads and segment them according to their needs, thus improving the conversion rates.



11.

Driving Sales and Revenue Growth

Aligning Sales and Marketing Teams

For any strategy to work, the sales and marketing teams need to work in close alignment. When delegating tasks, companies should be clear about the responsibilities assigned. The groups also should be well versed in the marketing strategy and have set goals.

For example, sales teams are generally responsible for generating leads, closing deals, and managing customer relationships. Similarly, marketing teams create and execute campaigns, manage customer data, and analyze customer behavior.



Closing Deals with Effective Sales Techniques

A salesperson needs to have a specific set of skills when closing a B2B deal. This step is among the most fraught in the whole sales pipeline. As the culmination of the entire lead generation process, the deal closing requires a careful hand.

The company representative must be able to put forward the company's demands before the prospect. However, they must also be open to negotiation and consider any

suggestion the client makes. Sometimes, the use of persuasive language may also become necessary.

To build trust with the lead, the salesperson must learn about their needs and requirements. Being aware of the prospect's interests will help them come up with the most attractive deals. This involves asking questions and listening to the customer's needs and wants.

Measuring the Success of Your Demand Generation Efforts

Analyzing demand generation efforts is integral as it lets businesses understand what is working and what is not. In addition, reading metrics like

overall lead generation, customer conversion, and retention rates help companies measure the success of marketing strategies and wants.



12.

Conclusion

Key Points

- B2B businesses cater to corporations, firms, and manufacturing companies, not individual buyers.
- Demand generation is creating buzz about a product/service to generate leads.
- An ICP should include demographic, firmographic, and psychographic information to help companies make the most effective marketing strategies.
- A B2B whitepaper is a long-form document used as a business marketing and sales tool.

Future Trends in B2B Demand Generation

Increased Use of Automation:

Be it ML, or AI, automation will continue to play an increasingly important role in B2B demand generation. Since these tools help streamline processes, they can be integrated to reduce costs, and improve system efficiency. Reports show that automation can increase qualified leads by more than 451%.

Personalization:

In the coming years, companies will need to tailor their messages to the specific needs of their target audience in order to be successful. They will require valuable insight into their clients' buying patterns to customize their campaigns and strategies.

Social Media:

Businesses will need to leverage social media to reach their target audience and build relationships. A strong online presence will give companies an identity that they can mine to market themselves better.



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