Demand-chain b-to-b tools arrive

Automated Web analytics and lead analysis help clarify the demand chain for marketers

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by Christopher Hosford

Among the most intriguing of the new marketing measurement tools emerging in the b-to-b sector is demand-chain management. Its goals are simple: to measure everything one can know about potential customers, keep them interested with well-tailored and timely information or offers, and—when it is determined they are most likely to buy—hand them off to sales reps for the final push.

The newest iterations of demand-chain management tools focus on Web-browsing and e-mail habits. Marketers can track, for example, the number of page views a prospect might log, which pages he visited, the number of employees from the same company viewing particular Web pages and any action taken by returning viewers. Today's automated systems can also monitor opened e-mails, click-throughs from e-mails, responses to surveys and even messages forwarded to a prospect's colleagues (indicative of an extremely warm lead).

The second half of the process is critical: the company's specific responses to each type of activity. If a prospect opens an e-mail, the system may automatically send him a thank-you. If he visits a product page and spends a lot of time there, he may receive a case history, a white paper or a sales call.

Nurturing lower leads

"Your best salespeople will know where the low-hanging fruit is, but marketing tends to spend the same amount of time and money on all leads," said Scott Hornstein, president of Hornstein Associates, a direct-marketing consultancy in Redding, Conn. "Now, through demand management, you can build a process for the lower-potential leads, nurture them along and focus on their different propensities to buy."

A leader in the demand-management software field is Unica Corp., Waltham, Mass., whose products include Web analytics to understand and anticipate customer behavior and event detection, which responds to customer behavior patterns.

"The process allows companies to engage in a more intelligent, timely dialogue with customers and prospects, instead of shouting at them in a traditional, one-way, interrupt-oriented way," said Andrew Hally, VP-segment marketing at Unica. "Only through automation can such 'mass personalization' happen. And the measurability of online marketing means companies can increasingly be certain of the ROI of their marketing investments."

One firm that has rolled out an automated demand-management system in the past year is Nuance Communications, a Burlington, Mass., provider of voice-recognition software for such uses as directory assistance and call routing. The company invested in a CRM package from Salesforce.com but needed added tools to leverage its Web marketing and to generate more and better leads. Its choice was a demand-management package from Toronto-based Eloqua Corp.

E-mail marketing that lures prospects to Nuance's site tracks all behavior. As Jim Dickie, managing partner of Boulder, Colo.-based marketing research firm CSO Insights, said, this type of approach represents "a virtual qualification."

"Prospects are raising their own hands to identify themselves as 'A' leads," he said. "Further, the sales rep can determine preliminary areas of interest and do relevant homework on product applications and customer success stories to be more fully prepared for the follow-up call."

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Barriers to adoption

While demand-chain management represents a b-to-b trend, there remain barriers to its fuller adoption. Price may be one for smaller companies; based on the number of marketers using the package, and the number of customers being tracked, Unica's yearly fee starts at about $10,000. A second barrier is what Hally calls "the tyranny of the urgent."

"B-to-b marketing executives sometimes feel safer simply spending money on another seminar series or e-mail campaign that they know has a certain payoff in a few weeks. In addition, marketers comfortable with both the creative and the data side of modern marketing are in short supply."

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