

The Price Tag of the Anonymous Buyer

Analyzing The Revenue Opportunity Many BtoB Companies Are Missing By Failing To Identify & Connect With Anonymous Web Visitors

More than 20% of the pipeline for BtoB organizations is at risk today because marketers are unable to identify and connect with early-stage buyers. According to recent research from DemandGen Report, more than 40% of recent BtoB buyers started their research anonymously on the web. As these buyers are operating in stealth mode, they are forming opinions on vendors and possibly shortening their lists of potential solution providers.

When you consider that approximately 58% of a company's sales leads are currently generated by the web, according to data from SiriusDecisions, this begins to underscore the potential negative impact on pipeline for those firms who are still unable to identify and connect with anonymous visitors. The potential void is also growing deeper, as SiriusDecisions estimates the volume of leads from the web will increase to 71% by 2015.

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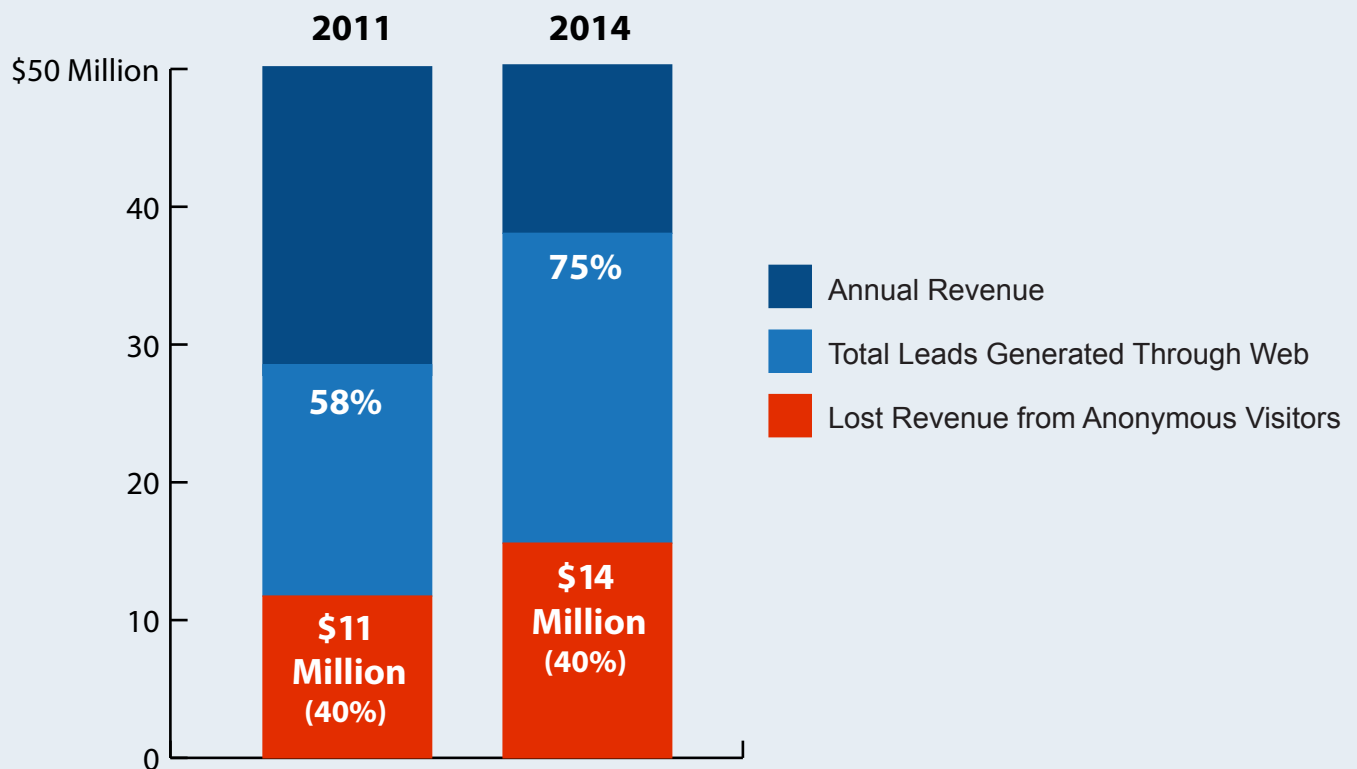
For a perspective on the impact this information gap is having on companies, consider the math for a company with \$50 million in annual revenue. When you figure that 58% of its leads are being delivered via the web, if that company is missing out on engaging with the more than 40% of companies that are starting their research anonymously, it is at risk of losing more than \$11 million in annual revenue today. That at-risk revenue factor for the same \$50 million company will climb to \$14 million by 2015, when the web represents close to 3/4 of sales leads generated.

Based on those projections, that \$50 million firm is at risk of losing more than 20% of its revenue,

simply because it can't identify anonymous website visitors. That risk is becoming greater by the day, as an increasing number of buyers are beginning their vendor research on the web.

Equipped with the right tools to identify anonymous web buyers, BtoB companies are able to plug this leak before the dam breaks and becomes a flood. The following white paper will present industry data, case studies and insights from leading analysts to demonstrate how technology advances are making it possible for sales and marketing professionals to effectively track, identify and engage with anonymous website visitors at the earliest stages of their research.

Lost Revenue From Anonymous Web Site Visitors



The Genesis of Anonymous Visitor Identification

Only 1% to 2% of website visitors who are responding to a digitally delivered message and arrive to a web site will ever share Personally Identifiable Information (PII), in part because:

- 1)** they don't really want to share their personal information if they don't have to;
- 2)** they believe they can find the information they need by continuing to search on their own; and
- 3)** they just don't want to fill out another form.

Therefore, companies that are depending on potential customers to voluntarily identify themselves are often finding themselves lagging behind the competition in new deals.

Fewer potential buyers are using the traditional method of sending out RFPs to a group of vendors, then reviewing those RFPs to narrow the field. Based on DemandGen Report research, a mere 22% of respondents said they still follow the traditional RFP path. The remaining 78% are narrowing the field long before the RFP process, by conducting anonymous web research and relying on information from peers and others via social media venues.

This new strategy puts sales teams at a disadvantage because they may not know until it is too late that a prospect is looking for the type of solution or service their company offers. Often the project is not budgeted or approved until after the research is completed and vendors are chosen.

With this knowledge in hand, and having exhausted all traditional means of soliciting potential customers, what are the next steps for a company trying to traverse the hurdle of finding and signing new customers in the new world of customer independence? The answer: Beat them at their own game — track them, identify them and provide them the information they are looking for before the competition does.

The web 2.0 movement has completely changed the way people and companies buy and shop for products. In a sense we are now all digital citizens of the Internet, especially with tools like forums, social media outlets, blogs, podcast and vodcast tools. What one digital citizen recommends another believes, since the information that person heard is from someone who is using the product/service and is perceived as an expert. This is why it is so crucial to engage prospects early in the buying cycle and find out what their needs are and begin engaging them with sales interaction and thought leadership

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—*Christopher Jeffers, CEO of netFactor*

assets. This reverses the roles so the seller is now perceived as the expert and the buyer is more willing to engage with you.

That is where anonymous visitor tracking comes in. “Today’s business buyer is enabled by the Internet where providers, product information and content are abundant,” said Christopher Jeffers, CEO of netFactor. “Not so long ago product and pricing data were effectively controlled and buyers

entering a traditional sales cycle could be identified. Now the buying cycle begins long before the sales cycle ever does. Anonymous visitor tracking discloses actionable insights for companies at each stage of a product purchase cycle. And where BtoB conversion rates can be 1% or less, the best of breed visitor tracking products can return 10% to 20% more profit opportunity from the same click.”

Anonymous Visitor Tracking: How it Works

Most BtoB executives are familiar with and often using Google Analytics, which has helped move the education curve in the right direction. Companies now understand that a few lines of JavaScript inserted into a web page will elicit valuable analytical feedback. Beyond that, though, most companies are not familiar with the intricacies of anonymous visitor tracking and how it works.

Anonymous visitor tracking technology extends that intelligence by identifying the business visitors to a web site and their activity in real time. Visitors can be identified by their companies’ names, addresses, phone numbers, web sites and geographical locations. The technology also tracks individual page views, keyword searches, length of time per page and how they entered the site (search engine, landing page, etc.).



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—**Steven Croft**, Senior VP, Sales and Marketing for Cypress Software

Best-of-breed visitor tracking applications provide additional features for sales and marketing users. These include alerts and reports, which can be customized so individual sales team members only receive leads that fit their sales criteria, such as geographic location, size and type of company and type of product or service being searched.

A limited set of visitor tracking offerings also fully integrate contact-level data such as name, titles, email and phone for the preferred business contacts at the visiting company. In this way, the most appropriate sales and marketing action can be easily initiated to highly targeted prospects through sales, direct mail, telephone and email.

For Cypress Software, anonymous visitor tracking allows individual sales representatives to identify potential leads within their specific territories. “Knowing exactly who is on your site and what they have

looked at can put you one step ahead of the competition,” said Steven Croft, Senior VP, Sales and Marketing for Cypress Software.

“To have the granular ability to create a personalized report gives our sales representatives a lot of power,” noted Croft. Using VisitorTrack from netFactor, Cypress sales reps are now able to get “more swings at the plate” with each potential customer. “The initial sales call can be a lot more professional and the rep can truly start a good dialog with the prospect.”

That initial sales call also can take place in real time at the very beginning of a prospect’s search efforts. The anonymous visitor tracking technology is designed to deliver an immediate email alert based on the BtoB marketer’s predetermined criteria. Cypress also is taking advantage of **VisitorTrack’s Trigger** capability, which sifts through all site visitors and sends only the relevant leads to each sales representative. The criteria for that Trigger alert are customized by the individual sales person or company executive and can be changed on the fly. With the Trigger functionality of VisitorTrack, they only get the leads relevant to their own criteria, and they get it instantaneously.

This type of knowledge becomes especially important as the field narrows during prospects’ research

process. During the initial research phase, 42% of prospects will consider four or more suppliers. But by the time they have conducted their own research, only 26% get quotes from four or more suppliers, reported Chief Marketer in a report titled *Adjusting to the Web-Influenced Buy Cycle*.

Salesworks Systems, a consulting firm for BtoB software companies, now recommends netFactor's VisitorTrack to its clients. "When they see it they think it's magic," said Colin Greig, Director of Online Marketing. "They are immediately interested when they hear about it, but when they see the demo on their site they are in shock. We are definitely showing them something they have never seen before."

With anonymous visitor tracking, cold leads can become warm leads in real-time. "A prospect's interest drops down dramatically within 24 hours after they have been on a site," noted Croft. "If we reach out within one hour, we believe we still have 90% of their interest." One fact that all sales people agree on is that a warm sales lead beats a cold lead any day of the week.

LEAD

Four Ways to Benefit from Anonymous Visitor Identification

The overarching benefits of anonymous visitor identification can be broken down into four specific areas: **1. Real-Time Sales Follow-up; 2. Campaign Management; 3. Integration of Sales and Marketing;** and **4. Business Intelligence.**

1. Real-Time Sales Follow-up

It may be obvious but is necessary to state that the ability to follow up on warm sales leads immediately will greatly improve the chances of securing a sale. Industry experts predict that the contact rate of a lead drops 100 times from five minutes to 30 minutes.

With VisitorTrack, Cypress Software is able to filter warm leads to the right sales representatives (more quickly and nimbly). "Our sales executives utilize the Multi-Triggers capability within VisitorTrack to obtain instant email notifications for pre-determined specific traffic visits on our web site, as well as visits to ongoing marketing campaign landing pages," said Croft. "By allowing them to filter the Triggers to their exact geographic territory, they are now able to receive only the lead activity that they are accountable for, which accelerates the prospective client follow-up."



Cypress also takes advantage of VisitorTrack's Hot Lead Alert, which identifies a lead as a "hot lead" if the Internet visitor touches a site a certain number of times. "Our reps use it every day," said Croft.

Greig estimates that the VisitorTrack technology identifies approximately 35% of site traffic as business users. So for a site that has 10,000 visitors per month, the technology can deliver 3,500 potential business leads every month.

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2. Campaign Management: Nurturing is Necessary

Knowing that individuals are conducting pre-project research in stealth mode, companies must be proactive, identify potential customers before they identify themselves, then provide them with the pertinent information that will influence their buying decisions. The nurturing process, in this scenario, begins before the potential customer is even identified.

Because potential customers are highly informed, they expect the companies they deal with to be at least as informed, if not better informed. "Today's buyers expect you to know and understand their unique business issues," reported ITSMA in its report titled *How Customers Choose Solution Providers*. "The more you know about where the leads are coming from and their behavior, the better," noted Chris Koch, Associate Vice President of Research and Thought Leadership, ITSMA. "Our research shows consistently that buyers want content that is targeted at them."

The most valuable pre-contact nurturing comes in the form of relevant content that companies can deliver via outbound marketing campaigns using a number of vehicles including white papers, webinars, case studies and research reports. With the help of anonymous visitor tracking,

companies can be better-informed about what type of content prospects may be seeking.

Being able to identify the type of information potential leads are looking for provides insights for companies looking to improve the deliverables offered on their sites. "Anonymous visitors provide excellent sources of trending information at an aggregate level," said Ian Michiels, Principal Analyst at Gleanster. "If you can isolate how anonymous visitors search and identify what they are looking for, then you can develop better content that may persuade visitors to register or make themselves known."

3. Integrating Sales and Marketing Efforts

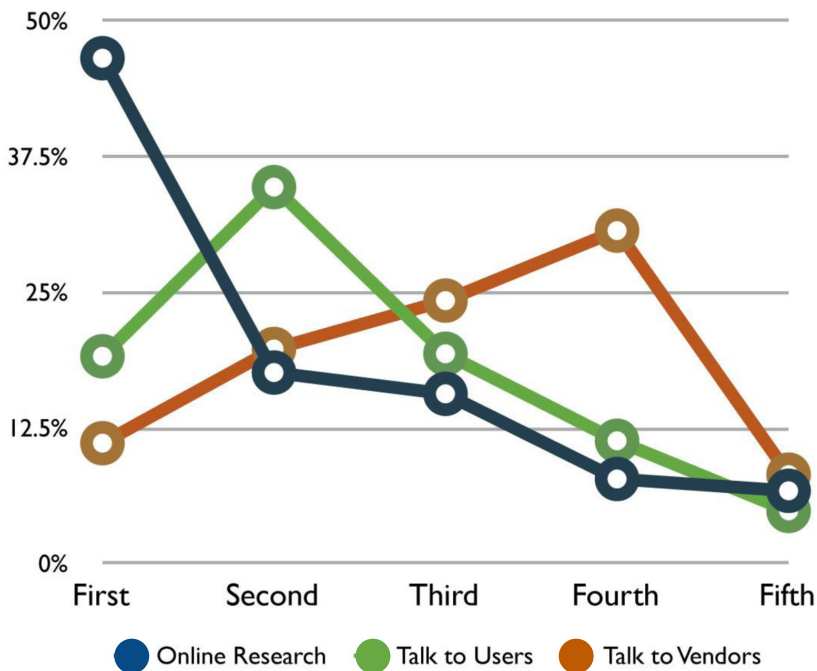
Sales teams may want to thank their marketing counterparts for providing the relevant content to help generate new leads, as the number of people using the web for initial research continues to rise, and they are looking for relevant content. As many as 85% of survey respondents said thought leadership content is *somewhat important* to *critical* in determining which providers to put on the short list, according to 2010 research from ITSMA.

With compelling content delivered by the marketing department, in the form of information and thought leadership content on a company's website, more potential leads will conduct detailed and continuous searches, thereby allowing the visitor identification technology to deliver warmer leads to the sales force.

"Buyers are trying to push sales people out of the earliest stages of the buying process, by using search and, to some extent, social media," said Koch. "Even the stodgiest old C-level executive is doing multiple searches per day – 80% are conducting at least three per day." Anonymous visitor tracking brings sales people back into the mix at the beginning of the search process.

Turning to Online Sources

Order of Things - High Consideration



Source: Enquiro, "Integrated Persuasion: Online and Offline"

4. Business Intelligence: Convert Information Into Action

Collecting the information is the first step – using it effectively is yet another challenge. “You must have the right experience and culture in place to consume web trends and actually adjust content or strategy based on these trends,” said Michiels. “You can collect a lot of data but then you need to ask and answer the question: *What do you do with it and how do you make it actionable?*”

For BtoB marketers, one of the first steps is using the data to improve website performance, which will in turn improve the lead generation process. Using anonymous visitor tracking, these companies can discover which keywords prospects are using to find out information about their products or services. They can then adjust the content to reflect those keywords.

When planning marketing campaigns, specifically SEO or Pay Per Click (PPC) efforts, companies can make better investments based on more specific knowledge about how potential customers are searching and the kinds of companies that are responding.

“We also use it to do backwards research,” said Croft. When following up with a qualified lead, for example, “we can look at a

campaign from two months ago, look at the pages that lead visited and follow the crumbs behind it. It (VisitorTrack) becomes a compliment to my lead generation program.”

How to Begin a Successful Implementation of Anonymous Visitor Tracking

Anonymous visitor tracking can be a key component in a BtoB marketer’s efforts to locate more leads sooner and close deals faster. That said, it is one component of a company’s complete marketing and sales strategy, not a standalone lead-generating solution.

Visitor tracking can be considered a pre-marketing application that provides a stronger set of marketing-qualified leads that can then be fed into the marketing automation application. In the context of the Demand Waterfall presented by SiriusDecisions, VisitorTrack is providing denser water that flows through the funnel faster. Leads are driven through the pipeline faster and more efficiently.

Before implementing visitor tracking, BtoB marketers would be wise to take a step back and ensure that all of the company’s marketing efforts are aligned for

success. When it comes time to implement anonymous visitor tracking, focusing on three primary strategies will help:

1. Ensure a Commitment From the Top Down

“You can’t do this with scale and efficiency unless it is a corporate-driven philosophy, said Koch. “It really has to come from the very top.”

At Cypress, the CEO made a renewed commitment to sales and marketing as a combined effort, which created the opportunity for Croft to implement visitor tracking as well as a number of other new marketing projects. “By bringing me in a few years ago, now he does not have to worry about sales management and marketing campaigns and both of us can move at 100 mph,” noted Croft. “I have put a lot of programs in effect and this is one of them.”

2. Integrate Marketing and Sales

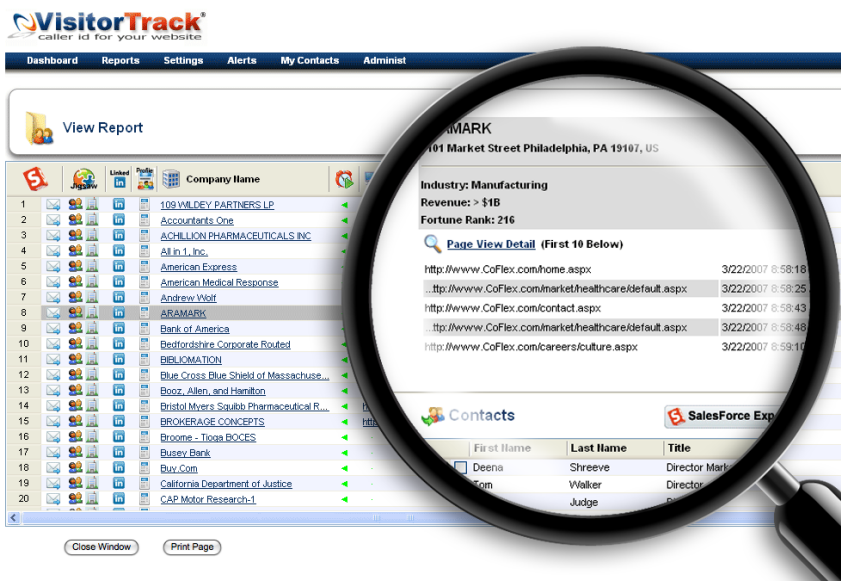
It’s worth repeating: sales and marketing must be aligned. Initially the onus is on marketing to bring the sales team onboard by showing them the value of engagement in the early stages of the buying process. Conversely, “sales people must be willing to open up and share their information with marketing about what they are hearing about buyers,” said Koch.

“The bottom line is that the sales team needs to be convinced that content is the beginning of the sales cycle,” Koch added.

3. Acknowledge That Content is King

Recent data from Gleanster found that prospective buyers overwhelmingly consider a company more seriously if it offers smart thought leadership content. “Their thought process is ‘You have to be smart and show me that you are smart before I will talk to you,’” Michiels explained.

To be on board with the commitment to content, BtoB marketers should make a concerted effort to locate, create and disseminate relevant information on a regular basis. This can be accomplished by creating a dedicated internal content department and/or soliciting outside resources to help bring the content to life.





Conclusion

Every company should take the time to do the math and consider the substantial percentage of sales that is at stake without automated visitor tracking in place. As many as 71% of leads may be generated by the web by 2015, according to SiriusDecisions. At that point a \$50 million company that is not using visitor tracking could be at risk of losing \$14 million in sales.

An affordable investment, VisitorTrack is easy-to-implement and presents no technology barriers. Most companies cannot afford to pass on this type of solution if they want to compete in the fast-moving web-based retail environment today and in the foreseeable future.

Before anonymous visitor tracking was introduced, companies had no means of identifying the sources of hundreds and thousands of anonymous web clicks. By gaining access to contact information, location and page activity for those previously anonymous visitors, BtoB marketers can take action to save more than 20% of potentially lost sales.

A recent discovery for many BtoB companies, anonymous visitor tracking goes beyond the abilities of Google Analytics and other similar technologies. It can provide customized real-time alerts, emails and reports of companies and contacts to sales representatives who can then reach out quickly and intelligently to newly discovered warm sales leads for hidden prospect opportunities.

When aligned with a company's total sales and marketing strategy, anonymous visitor tracking will help to create strongly qualified leads where there were previously none, putting BtoB marketers ahead of the competition and poised to save potentially lost sales and capture new leads.



About netFactor

netFactor Corporation provides a suite of products to drive new levels of sales performance from Internet marketing for the Business-to-Business market. The company's core VisitorTrack® technology platform integrates web analytics, business intelligence and marketing automation into a powerful SaaS application for lead generation from anonymous visitor tracking – it's like "Caller ID for Your Website®". netFactor is privileged to serve customers and resellers across multiple industries including software, telecom, healthcare, technology, financial, professional services, manufacturing and transportation. For more information on netFactor Corporation's performance-driven products and services for Internet marketing, please visit <http://www.netFactor.com>



About DemandGen Report

DemandGen Report is a targeted e-media publication spotlighting the strategies and solutions that help companies better align their sales and marketing organizations, and ultimately, drive growth. A key component of the publication's editorial focuses on the sales and marketing automation tools that enable companies to better measure and manage their multi-channel demand generation efforts.