

2018 Edition

Marketing Automation Buyer's Guide

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Looking for Marketing Automation?

Here's What You Need to Know

Since the internet and social networks have made finding purchasing information easier, buyers have drastically changed their behavior.

If your company is taking a harder look at how it approaches and convert scustomers, or if your marketers are taking an expanded role in driving company revenue and growth, marketing automation may be for you.

Our Buyer's Guide walks you through the basics of marketing automation, including benefits, market trends, key features, common challenges, standard pricing and what to look for when making a purchase.

Overview

What is Marketing Automation?

Marketing automation is a software tool that automates marketing tasks and streamlines marketing workflows. Its biggest impact is typically in the nurture, conversion and closure stages of a marketing process.

A common misconception is that marketing automation is a fancy word for email marketing. However, the solution actually combines the whole spectrum of prospect acquisition, lead nurturing and customer retention channels, including email, landing pages, social media and more.

When used correctly, marketing automation helps companies manage the various "touchpoints" it has with a customer by enhancing its ability to send targeted and personalized messages.



Who Uses Marketing Automation?

Early adopters of marketing automation were large companies and enterprises in the business-to-business (B2B) market space. Now that marketing automation vendors can offer more affordable solutions and flexible functionality, more companies across the board are adopting marketing automation, including businesses of all sizes in both the B2B and business-to-consumer (B2C) market spaces.

Since marketing automation software is key to scaling modern marketing practices, the software is ideal for companies that have large databases of leads to manage and rely heavily on internet-based marketing (aka digital marketing, email marketing and content marketing) techniques to drive revenue and business growth.

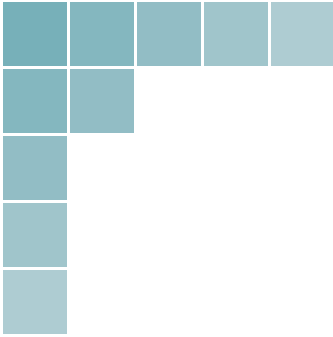
Top Benefits

Marketing automation provides tools to help companies effectively nurture leads without getting bogged down by repetitive tasks. Some of its key benefits are:

Smoother workflows – Workflow automation features keep all activities, processes and documents involved in a marketing campaign organized, making marketing workflows smoother. Automating routine tasks that involve asset management, conversion processes and budgeting can also reduce the risk of human error.

Increased productivity – When used effectively, marketing automation reduces the amount of manual, repetitive tasks in marketing processes. This saves time and boosts efficiency, allowing marketing professionals to focus more on the quality of campaigns and other tasks that require manual monitoring.

Centralized marketing management – Marketing automation tools can be used with different digital platforms, like email, landing pages and social media. Using marketing automation to centralize the management of these disparate channels will simplify various marketing tasks for cross-channel campaigns.



Increased revenue – When your marketing processes are running at peak efficiency, your team can rely more on delivering quality messages at the right time, which can acquire and retain more customers to boost revenue.

360° campaign view – Marketing automation makes it easy to track the performance and expense of a campaign. The solution also tracks how prospects respond to a campaign message, allowing you to easily monitor its success.

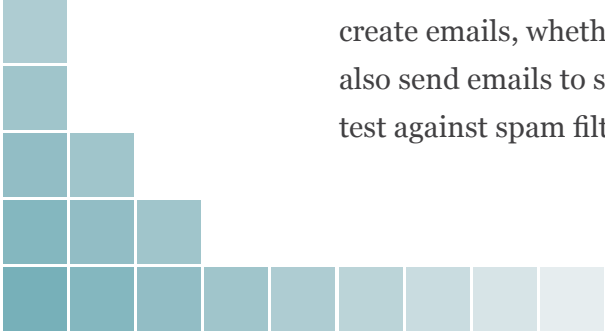
Customer relationship retention and extension – Relationship marketing focuses on a customer’s satisfaction, which can result in long-lasting relationships and repeated sales. This includes techniques like upselling, cross-selling and loyalty campaigns. Marketing automation allows companies to deepen their relationships with prospects and customers through features that monitor buying behaviors, deliver trigger campaigns and nurture leads.

Higher customer retention – Marketing automation tools can offer businesses marketing intelligence, which is the information that gives insight into an existing or prospective customer’s intent. This allows companies to predict a customer’s needs and buying habits, resulting in higher customer satisfaction and improved retention rates.

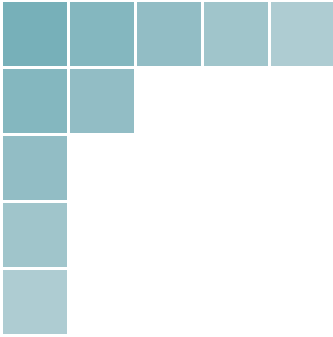
Key Features

Marketing automation has a wide range of features to meet the ever-evolving needs of modern marketers. The software can include features for email marketing, landing pages, campaign management, marketing programs, lead generation, lead nurturing/scoring, lead management, CRM integration, social marketing, resource management and marketing analytics.

Below, we’ve listed common features you’ll find in modern marketing automation software:



Advanced email marketing – With marketing automation, you can easily create emails, whether using premade templates or creating your own. You can also send emails to specific groups, schedule them ahead of time, run A/B tests, test against spam filters and report on email performance all in one place.

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Custom forms – Prospect information can be captured with registration forms on landing pages and company websites. Leads are then automatically stored in a database for continued nurturing through a purchase funnel.

Lead nurturing – Marketing automation allows companies to create and automate lead nurturing workflows that send relevant messages to leads over time based on their behaviors and any predefined campaign parameters. This type of “drip marketing” tends to occur through email, but can include other marketing channels, too.

Online behavior tracking – Online behavior tracking allows companies to better understand their customers by tracking which emails they open and click on, monitoring the webpages they visit and tracking the keywords they use, as well as monitoring what they’re saying in their social networks. Alerts can be set up for marketers to follow-up with a prospect in real time.

Program management – Program management tools allow companies to easily create, optimize and manage marketing campaigns and programs across multiple channels.

Lead scoring and grading – Lead scoring and grading features prioritize leads based on how much interest they’re showing in your company or product. This reduces the risk of chasing down a dead-end lead.

Web analytics – In marketing automation solutions, web analytics solutions help you understand prospects’ intent by tracking the pages they visit and how often they come back.

Reporting – Reporting features include custom reports and dashboards for marketing professionals to easily measure and analyze a marketing process’s performance.



Common Challenges

Although marketing automation makes maintaining marketing processes and activities easier, it also comes with its fair share of challenges. Here's a list of common pitfalls to avoid:

Relying on untargeted messages – The ultimate goal of a marketer is to generate more revenue for your company. Many times, marketers will use marketing automation to deliver generalized messages to their entire list of prospects, hoping it will resonate with some of them and result in a purchase. This challenge is twofold: 1.) You're likely wasting valuable time and resources on people who aren't interested in the content you're sharing, 2.) You could be burning through your list of contacts by annoying them to a point where you won't be able to market to them in the future. To avoid this, use marketing automation to set up nurturing campaigns that send specific messages and content to the people most interested in it.

Limiting marketing automation to one channel – Many times, marketing automation is mistaken as a synonym for email marketing. So marketers will limit their marketing automation to one channel. However, doing this will only limit a company's view of its leads, their interests and where they are in the buying cycle. Good marketing automation tracks the behaviors and interactions of your leads across all your marketing channels so you can keep up with their evolving needs.

Automating everything without re-evaluating goals – Marketing automation simplifies a marketer's life by automating routine tasks. Because of this, it's common to automate everything right away. However, automating the marketing process without re-evaluating goals can cause companies to lose sight of customers' needs and execute strategies that don't make sense. When used correctly, marketing automation makes it easier to listen to your customers, ensuring your efforts remain relevant and successful.



Standard Pricing

Since the introduction of software-as-a-service (SaaS) marketing automation tools, more vendors are offering monthly subscription pricing models. The criteria for these models can be as simple as a monthly subscription based on users, or as complicated as a price based on a combination of required features and the number of brands, contacts or users you have. You also have to keep an eye out for whether or not the price is billed annually and if there are required fees for onboarding or add-ons.

To illustrate the difference in pricing models, here are the costs of five popular marketing automation solutions:

Pardot

- **Standard (\$1,000/month)** – Includes email marketing, in-depth prospect tracking, lead nurturing, lead scoring and grading, ROI reporting, forms and landing pages, and standard CRM integration.
- **Pro (\$2,000/month)** – Includes all features from the Standard package, advanced email analytics, email rendering preview and spam analysis, email and landing page A/B testing, advanced dynamic content, Google AdWords integration, API access (Up to 25K calls/day), multiple scoring categories, integrated marketing calendar and social profiles.
- **Ultimate (\$3,000/month)** – Includes all features from the Pro package, custom user roles, custom object integration, API access (up to 100K calls/day), dedicated IP address and phone support.



Eloqua

- **Basic (\$2,000/month)** – Includes a database with less than 10,000 contacts, up to 10 marketing users.
- **Standard (\$4,000/month)** – Includes a database with less than 10,000 contacts, up to 50 marketing users.
- **Enterprise (Contact directly for quote)** – Includes a database with less than 10,000 contacts, unlimited marketing users.

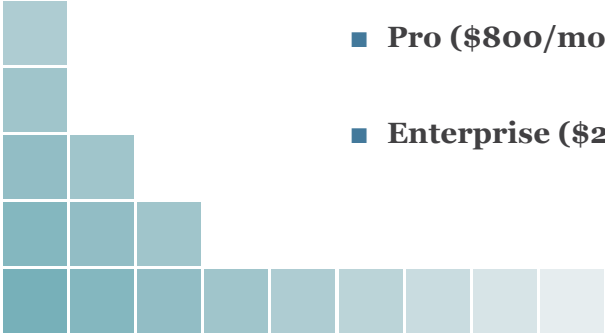
Infusionsoft

(Note: Pricing doesn't include the required Kickstart fee that starts at \$999)

- **Starter (\$99/month)** – Includes 500 contacts, 2,500 emails/month, 1 user.
- **Essentials (\$199/month)** – Includes 2,500 contacts, 12,500 emails/month, 3 users.
- **Complete (\$299/month)** – Includes 10,000 contacts, 50,000 emails/month, 5 users.

HubSpot

(Note: Pricing doesn't include the required onboarding fee starting at \$600)

- **Basic (\$200/month)** – Includes up to 100 contacts.
 - **Pro (\$800/month)** – Includes up to 1,000 contacts.
 - **Enterprise (\$2,400/month)** – Includes up to 10,000 contacts.
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Act-on

- **Professional (\$900/month)** – Includes 2,500 active contacts, 3 marketing users, 50 sales users; 30,000 API calls/day.
- **Enterprise (\$2,000/month)** – Includes 2,500 active contacts, 6 marketing users, 100 sales users, 30,000 API calls/day.

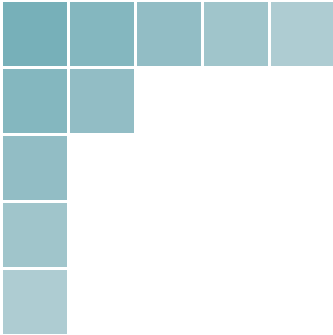
Market Trends

Similar to other business software, marketing automation is constantly evolving. Listed are trends driving modern marketing automation:

Changing buyers' behaviors – Because purchasing information is easy to find through the internet and social networks, the power within the buying process has shifted from businesses to customers. Modern customers are self-empowered and demand relevant, personalized discussions on their own time. This has forced marketers to find ways to better personalize their interactions with databases full of thousands of contacts.

New approach to revenue generation – Since the recession in 2008, [businesses have looked at revenue generation and measurement in a new light](#). Aggressive business growth was how top companies thrived during the recession, and now it's the way to keep up with competition. Marketing automation has given businesses the tools they need to measure and increase a campaign's revenue generation.

Software as a Service (SaaS) solutions – Like other business solutions, marketing automation vendors are providing their solutions through a SaaS model. This means marketing automation tools are accessible in a web browser with little or no IT support. Also, many SaaS solutions are sold as a recurring monthly subscription, making the cost of ownership more affordable than traditional marketing automation solutions.



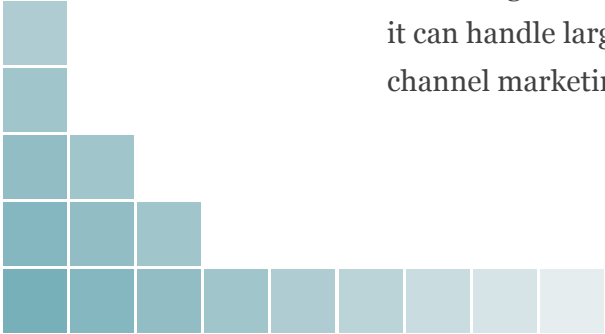
Covering more of the customer lifecycle – Marketing automation has always been focused on generating new business, particularly by converting leads into customers. However, more marketing automation vendors, especially the new generation SaaS ones, are expanding into the earlier stages of the purchasing funnel to help generate leads instead of only nurturing them. This is on top of expanding on forms of nurturing and retention, like relationship marketing, cross-selling, upselling and customer loyalty programs, which will appeal more to B2C industries.

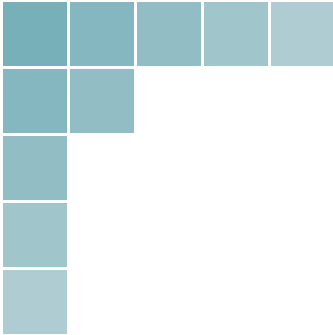

Social, local and mobile marketing – More people are using smartphones and mobile devices to find information. Because of this, social, local and mobile trends are intersecting, which is rapidly changing how businesses approach prospects. All three formats will have a larger role in customer interaction and be used to delve further into customer behaviors and buying habits.

What to Look For When Purchasing

Before purchasing any solution, companies need to figure out their reasons for using marketing automation – such as which marketing channels and processes they’re wanting to streamline. One good recommendation is to have a checklist of necessary and desired features ready before looking at vendors.

Here are the top issues companies should consider when buying a marketing automation solution:

- **Cost** – Marketing automation pricing models vary from solution to solution. You’ll have to factor in the subscription cost, any required onboarding fees and pricing for add-ons into your budget.
 - **Scalability** – If you plan to grow your database of contacts or your marketing team, make sure the system is scalable. You’ll want to make sure it can handle large amounts of leads and customers, as well as manage cross-channel marketing campaigns.
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- **Ability to work with existing systems** – Make sure the marketing automation software is compatible with other systems the company uses, such as a customer relationship management solution (CRM). Having CRM integration not only centralizes information for easier access, it also empowers your sales team to create trackable messages that automatically send data to the marketing team.
 - **Input from users** – The company will need to get buy-in for the software, not just from top executives, but from sales, IT and the managers who will be responsible for training their employees. One way to do that is to get those users involved in choosing the system – for example, have them participate in software demonstrations.
 - **Training and support during and after software implementation** – You’ll want to ensure the vendor offers implementation assistance, including any training. Does the vendor offer training remotely or onsite? You’ll want to choose a vendor that can provide training at your company’s convenience, if feasible. Also, make sure the vendor provides support after the software is deployed, such as 24/7 tech or customer service support via phone or online.
 - **Length of implementation process** – The implementation process can vary. You’ll want to speak with the vendor and request details on implementation timelines. You’ll also want to plan for any issues that could arise during the implementation phase.
 - **Request to speak with vendor’s current or past customers** – It’s important to seek references from a vendor’s existing or previous clients. The vendor will give you the name of most positive clients, but ask for companies that have similar needs to yours (e.g., small office or a specific industry). When contacting the reference, ask if there have been any issues with the vendor or the software. You’ll want to get input on not just the positive experiences, but issues as well. Also, if the vendor has been in business for less than five years, it’s especially important to get references from its clients.
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