Empowering Marketers. Powered by Technology.

STRATEGY | TACTICS | CONTENT & CREATIVE | DEVELOPMENT | TRAINING



@myleadmd leadmd.com GO@leadmd.com 877.775.3236

# Crafting Data Driven Buyer Personas

Presented by Justin Gray, Founder and CEO of LeadMD

# Today's Promise

- Understand principals of **data science**
- Make it not sound so incredibly nebulous
- Make it actionable

# About LeadMD

- Digital Marketing consultancy specializing in making strategy actionable
- Focused on the Marketo platform
- 7 Years and **2600+ engagements**

# Workshop objectives

- To improve your knowledge of how data, analytics and predictive marketing can help you better target and engage customers and prospects at all stages

- To give you a set of tools that will help you design, implement and succeed with applying buyer intelligence and predictive data modeling to build intelligent buyer personas

# At the end of the day, we know one thing:

**Our best customers are hard to predict** at the onset & flat data points don't tell the story

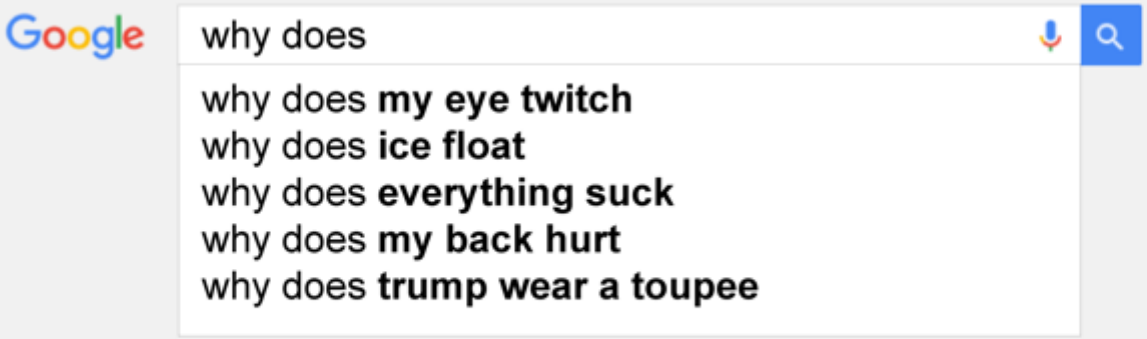
# Introduction

## The Wave of "Data Modeling & Analytics"

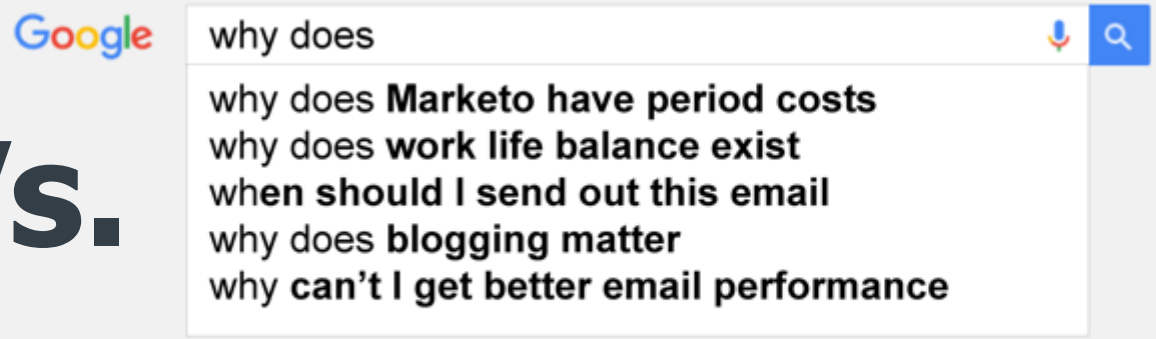
# B2B Predictive Trends

- B2B predictive analytics is an emerging market with less than a **$100M** in aggregate vendor revenue.
- **36.8% of high growth companies** investing in predictive analytics over the next 12 months. (TOPO)
- As the market accelerates, buyers need a framework to reduce adoption risk and demonstrate ROI.

# The Machine Learning Evolution




**Vs.**



> **To greatly simplify, it's like teaching the search engine to paint by numbers, rather than teaching it how to be a great artist on its own.**

**Danny Sullivan,** MarketingLand on the topic of Machine Learning and Google

# So, [data] science you say?

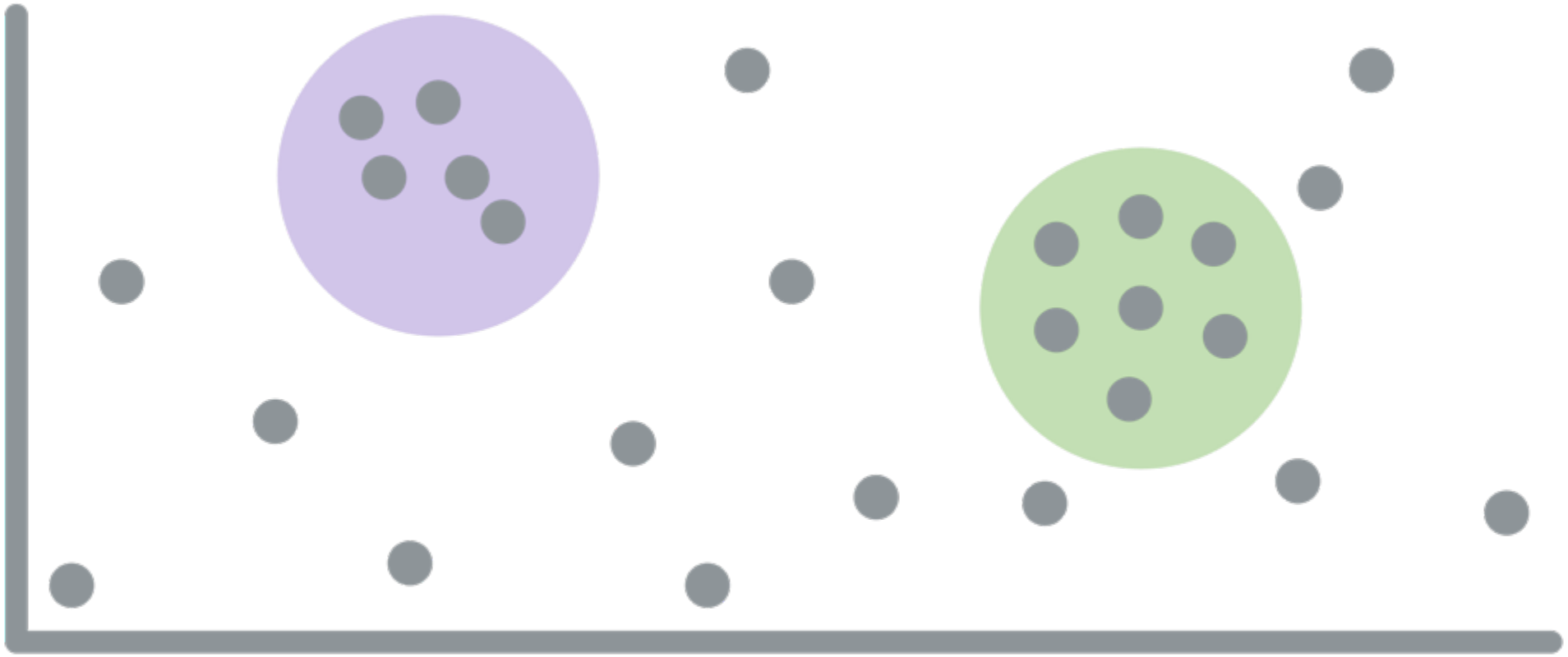
**September 1994** *BusinessWeek* publishes a cover story on "Database Marketing"

"Companies are collecting mountains of information about you, crunching it to predict how likely you are to buy a product, and using that knowledge to craft a marketing message precisely calibrated to get you to do so…"

(Source Forbes Media 2013)

## Can you say you're currently doing this?

# Visualization of a data model



# Data Science Principals

**Big data**
Data sets so large and complex, that traditional data processing applications are inadequate.

**Machine learning**
A science of getting computers to act without being explicitly programmed to do so, studying user pattern recognition and technological learning theory

**Data modeling**
The Formalization and documentation of existing processes and events that occur during application software design and development.

**Regression testing**
The process of testing changes to programs to ensure that the older programming still works with the new changes.

# What is a Data Model?

- A **data model** organizes data elements and standardizes how the data elements relate to one another.
- **Data elements** document real life people, places and things and the events between them, the data model represents reality, *for example a house has many windows or a cat has two eyes*

# But first...

# Where are you at now?

Let's take a quick poll:

# Poll #1: Where do you stand?

1

## No scalable lead score model:

Our reps do a cursory review of the lead's data to determine quality

2

## Scoring via FIRMOGRAPHIC data points

Scoring via MA platform on demographic and behavior activity

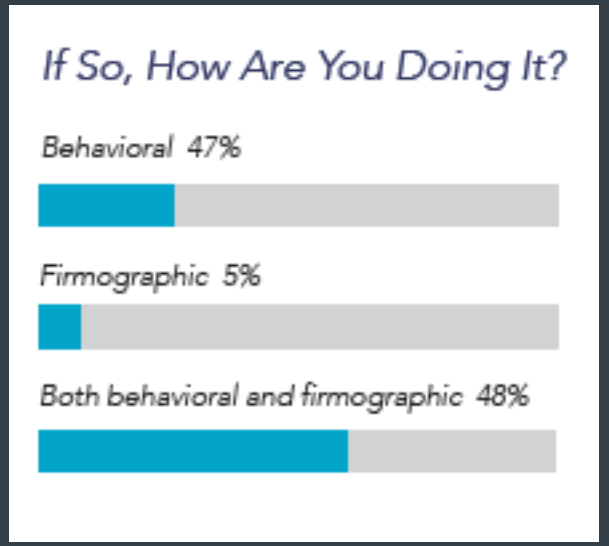
3

## Scalable Predictive Presence

Using a data model to align new prospects to known buying traits and doing that at scale

# B2B Predictive Trends

- B2B predictive analytics is an emerging market with less than a **$100M** in aggregate vendor revenue.
- **36.8% of high growth companies** investing in predictive analytics over the next 12 months. (TOPO)
- As the market accelerates, buyers need a framework to reduce adoption risk and demonstrate ROI.




# Where are your *peers* at?

- Lead Scoring Benchmark
- *(Source: EverString benchmark survey results)*

What marketing ***thinks*** sales wants:

What sales ***actually*** wants:

# But just because someone clicked a button doesn't mean they're ready to buy

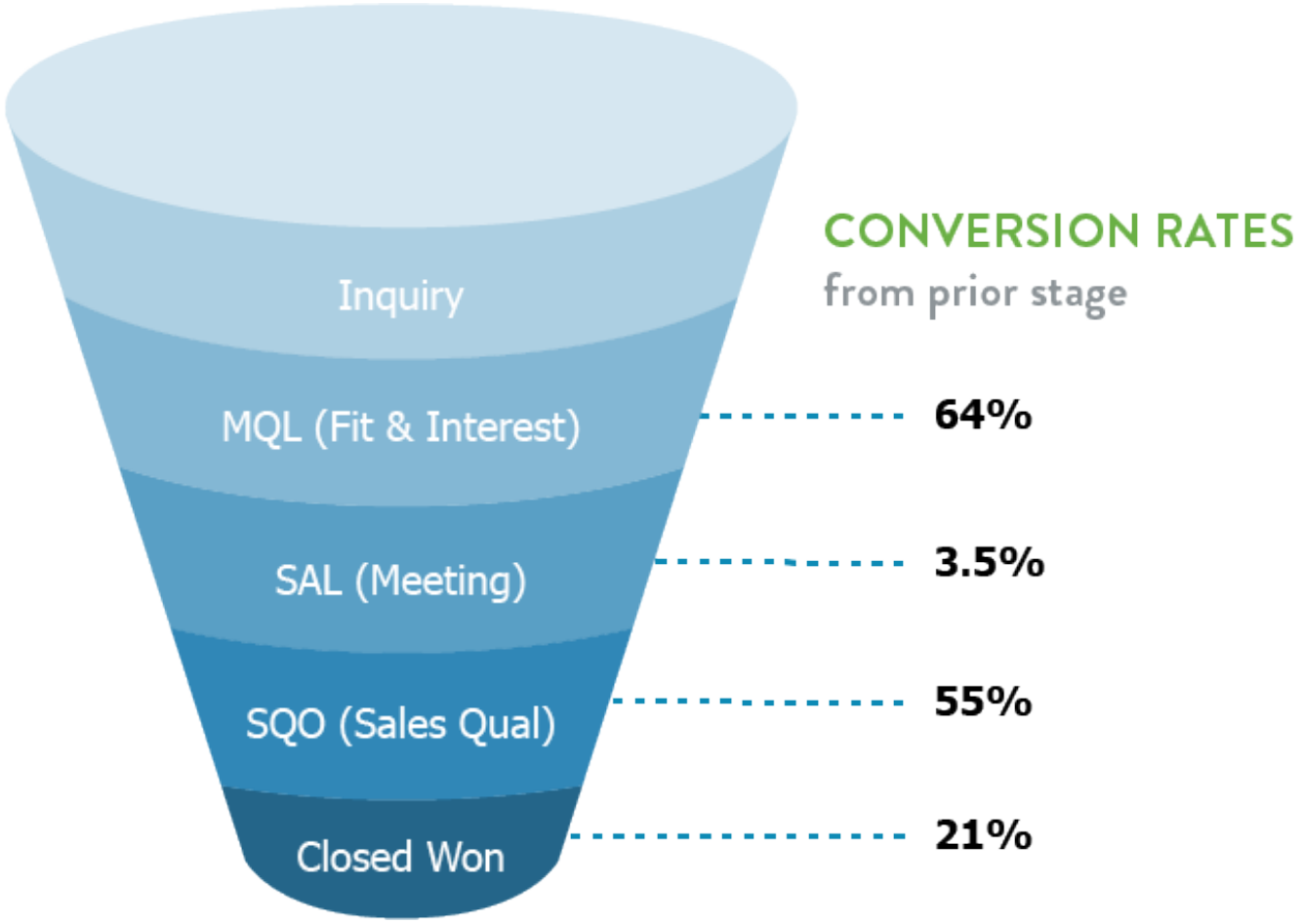
# Part II

# Dive into the Buyer

# The traditional funnel is just garbage

For every 400 inquiries, only 1 becomes a closed opportunity.

**That is a conversion rate of .25 percent**



# The state of today

As we know, lead scoring is a combination of:

**Behavioral**

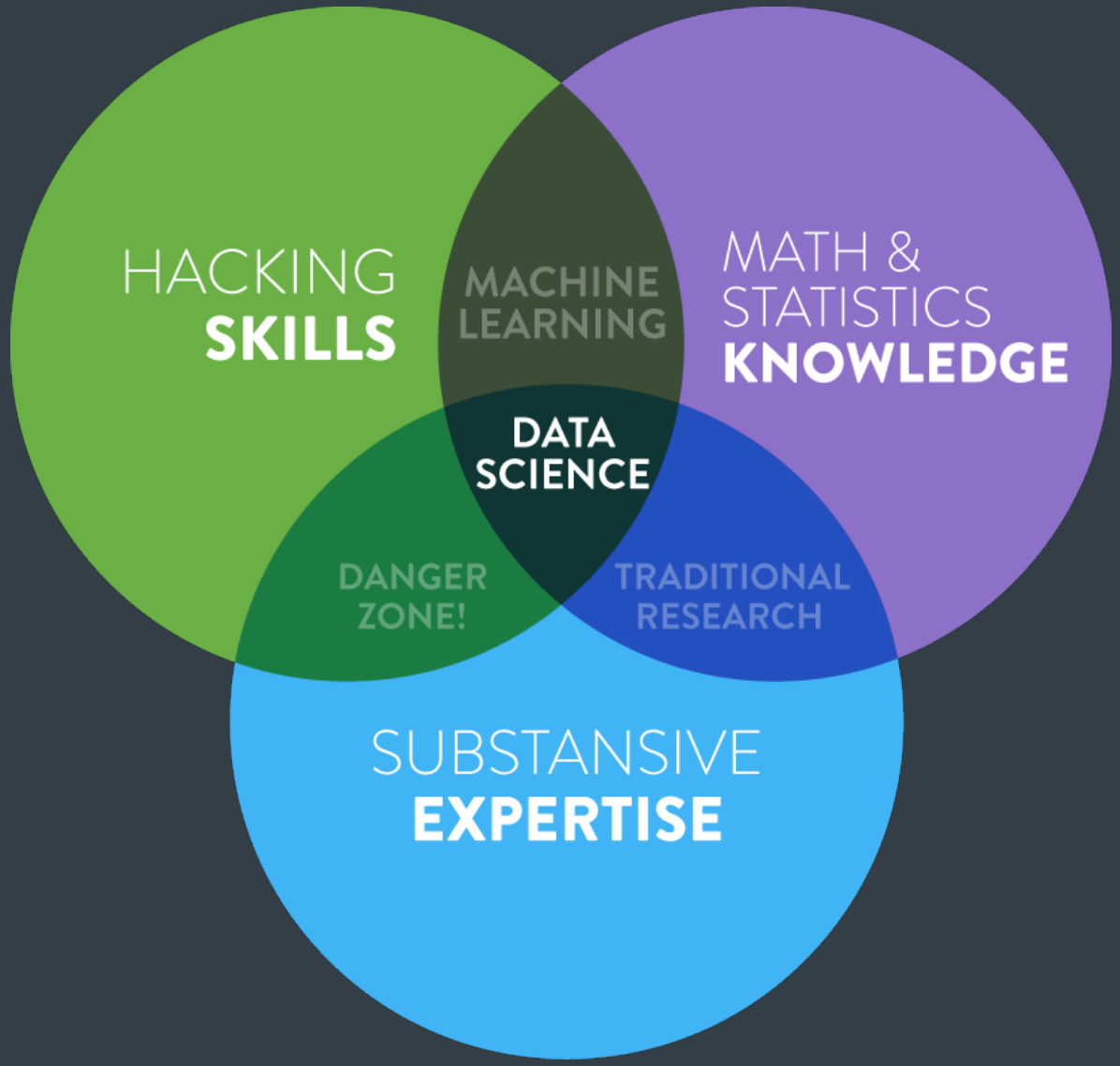
Click-throughs
Form submission
User activity

**Firmographic**
(inclusive of business behaviors)

Job title
Industry
Company revenue

**These are all traits that make up *marketer-driven models***

# What is the **future** of marketing?



| | TARGETING | LEAD GENERATION | SALES DEVELOPMENT | OPPORTUNITY MANAGEMENT | ACCOUNT MANAGEMENT |
|---|---|---|---|---|---|
| **DESCRIPTION** | Ideal customer profile developed; key accounts and leads to target identified. | Generated leads are nurtured until lead score indicates they are ready to be passed to sales dev. | Sales development conducts outreach against leads, qualifies and passes to sales (or rejects lead). | Sales manages opportunity through sales process until opportunity is either won or lost. | Existing customers are monitored for additional revenue potential via up/cross-sell. |
| **PREDICTIVE ANALYTICS IMPACT** | Analyzes existing customer data to validate the ideal customer/lead profiles and identify new target accounts. | Leads are analyzed and scored based on their propensity to convert to customers. | Leads are prioritized for SDR follow up who then manage their queue based on predictive analytics score. | Scores opportunities, indicating expected close rate, deal size, and close date. | Uses existing customer data to forecast which customers are most likely to purchase more from you. |
| **EXAMPLE** | Predictive analytics analyzes 100s of variables and identifies that companies using Optimizely have the highest propensity to close. High scoring prospects are used to drive account based marketing program and refine target account lists. | Marketing analyzes 9 campaigns run over the last quarter and identifies which campaigns produced the highest percent of converted leads against the ideal customer profile. Spending is reallocated to high ROI campaigns. | Scoring prevents 3,000 + low value, freemium leads from entering SDR queues so that SDRs can conduct lead follow up with high value MQLs based on predictive score (as opposed to manual SDR research). | VP of Sales improves forecast accuracy by comparing total predicted revenue versus aggregate of opportunity values entered by account executives into CRM system. | Marketing identifies the most likely upsell candidates are customers with 5K+ employees, using EMC storage. Marketing runs cross-sell ABM awareness campaign. Sales executes customer outreach program. |

# The Future Role of "**Predictive**"

# What we mean by "model"

When we use the word "model" in predictive analytics, we are referring to a representation of the world, a rendering or description of reality, an attempt to relate one set of variables to another.

**A purely behavioral model (Lead Scores) predicts only 2% of the variance in amount purchased by buyers (mildly predicts buyer commitment, but not spending).**

Adding demographic & psychological data bump lead scoring up to 85%.

**This is HUGE.**

# TODAY'S MODEL

- Targeting your marketing to who you *think* your buyers are won't give you the concrete results that targeting with data would.
- Data helps you *know* who they are, vs who you *think* they are.

# Why LeadMD uses predictive

1

**Targeting shouldn't be based on hunches**

2

**The customers we talk to are vastly different.** Our customers don't necessarily align to an industry or size.

# **Exercise 1:** Let's go ahead and define the "Who"

- Who are the customers we want?
- Who are the leads that will never become customers
- An What differentiates the BEST customers from just "OK"

# Exercise 1: Define the **Who**

- What describes your best buyers?
  - Characteristics
    - Firmographic/Demographic
    - Behavioral
- What differentiates your BEST from just 'OK'?

- What describes your worst buyers?
  - Characteristics
    - Firmographic/Demographic
    - Behavioral

# Part III

# Predictive as a Path

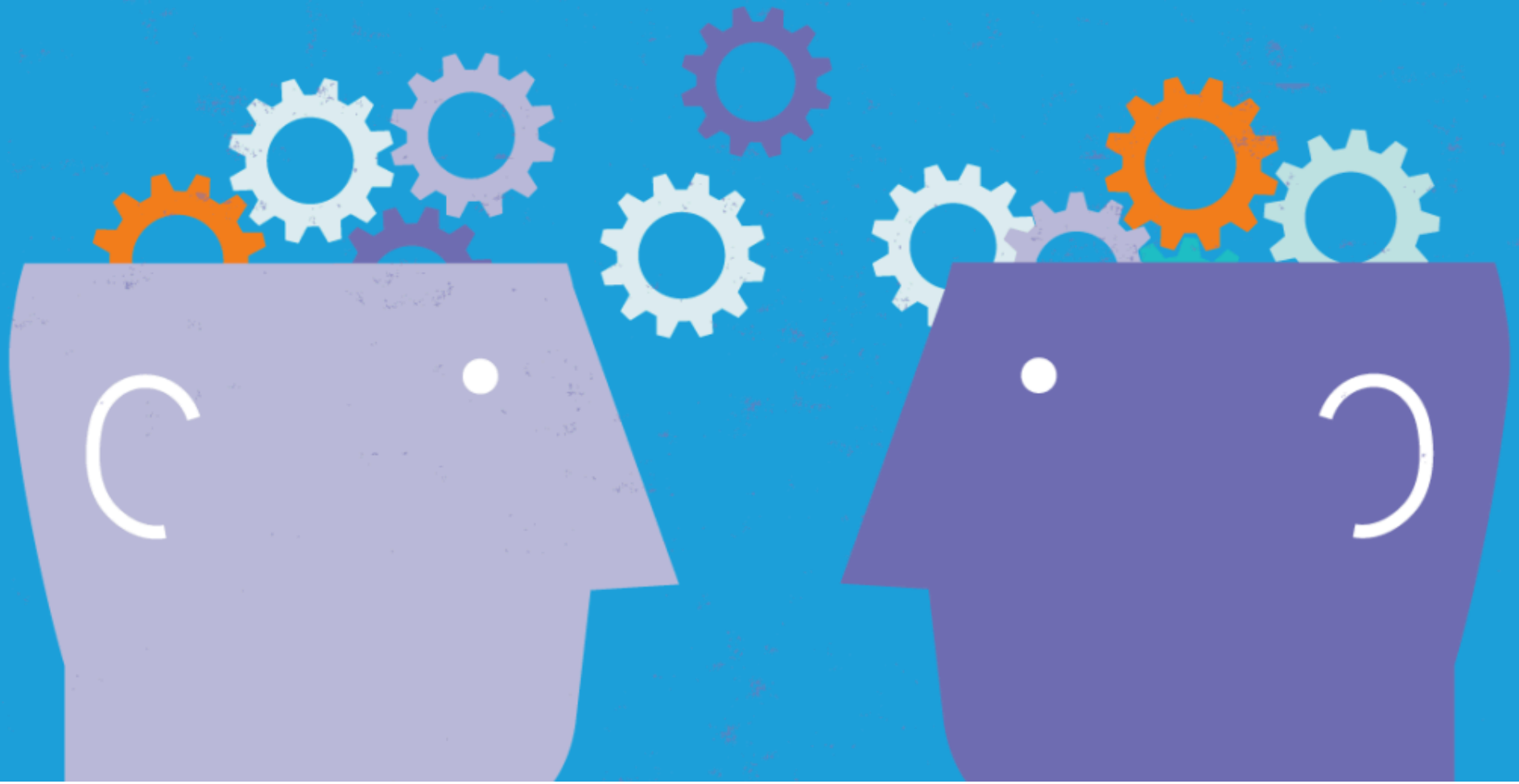
# **Exercise:** Building the foundation of your predictive model

- What's your positive and negative signals?
- What's your unstructured data?
- How does this compare to what LeadMD did?

# Exercise 2: The role of **signals**

- **Develop definitions of "Positives"**
  - Qualified leads
  - Won opportunities
- **Develop definitions of "Negatives"**
  - Unqualified leads
    - Ensuring everyone gets the feedback on why they are such
    - Use that status, they aren't ready to buy now, so lets

# What We Don't Know



# Psychological Data

’Intent’ Data: The buyers mindset & maturity allow us to win

- The Largest Predictor!!

# What LeadMD Found…

## We have to zero in on two main descriptive signals

- Personality/past experience
- Position in the organization

# This is Difficult!

- What blockers do you foresee?

# The role of bias

- **Where are your biases?** For example, if you're only looking at opportunity creation, the predictive model you build has a natural assumption that only the customers you're working with now are who you want to work with.

## Good indicators:

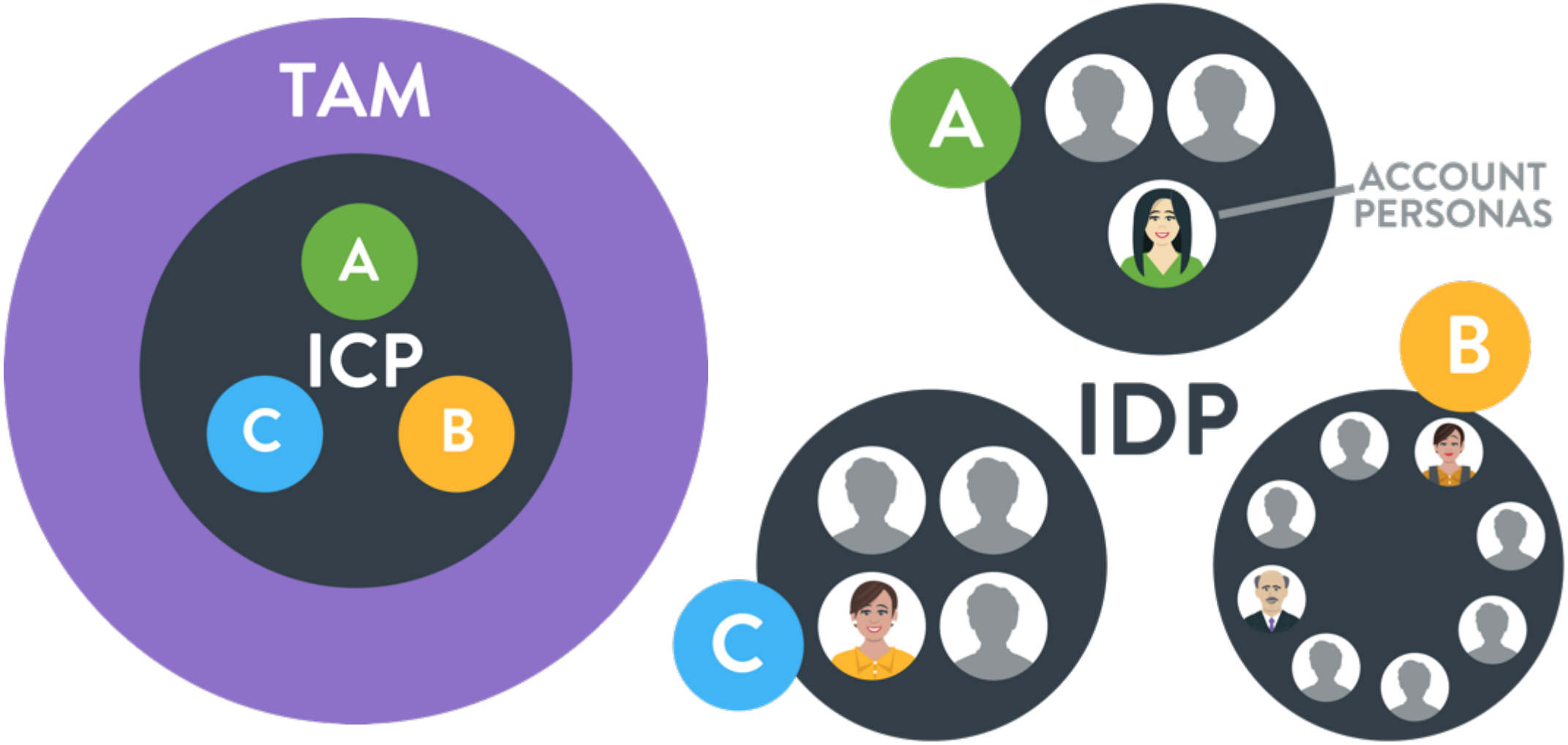
- MQL – Do these people belong in your TAM?
- SQL – Are these people truly part of your ICP?

LeadMD
Empowering Marketers. Powered by Technology.

# Sample Intent Survey

https://leadmd.getfeedback.com/r/7SxOWfyd

# Let’s talk about data structure under this model



# What is an Total Addressable Market?

- **Total addressable market** (TAM) is a term that is typically used to reference the revenue opportunity available for a product or service.

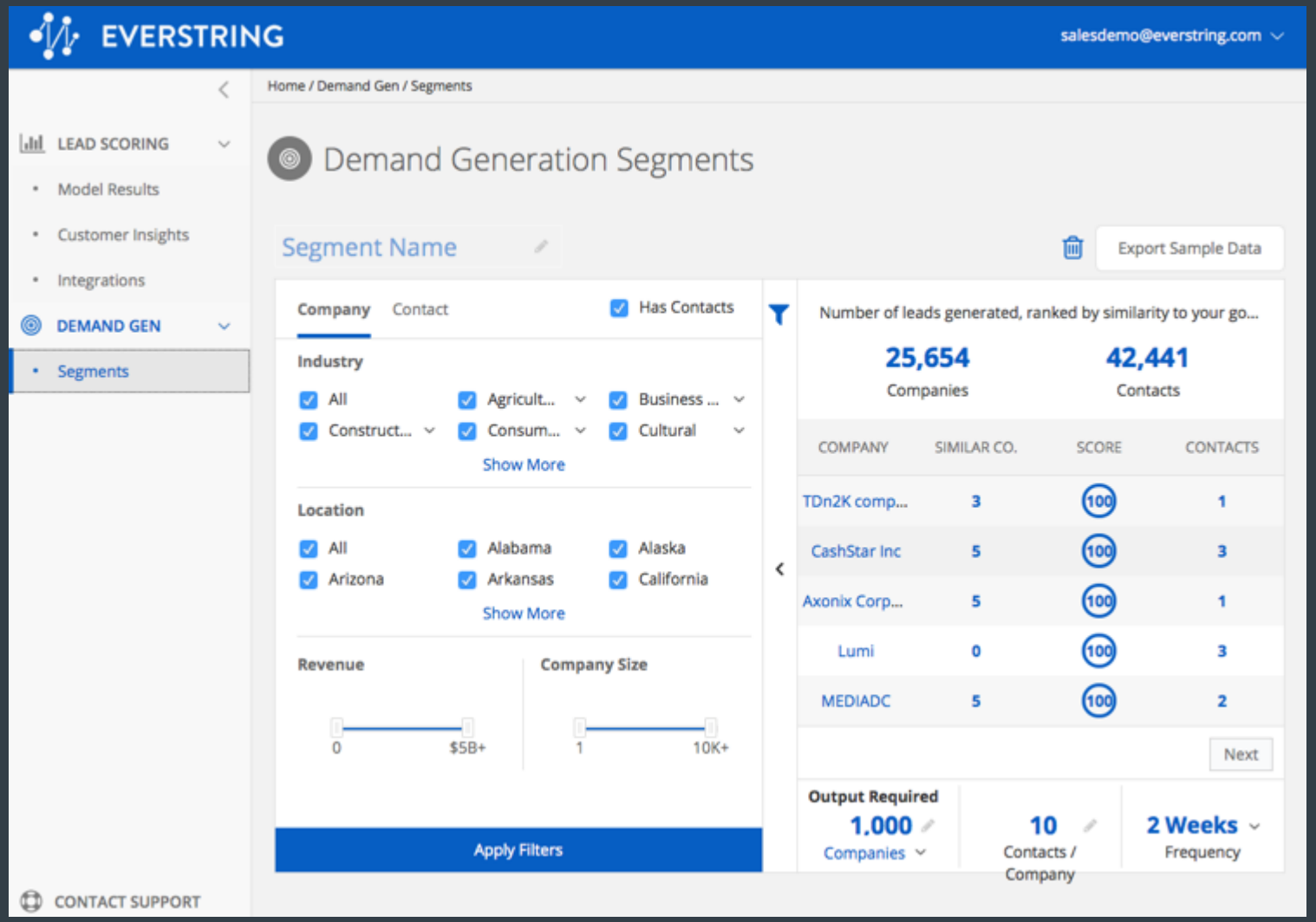
# Example: The LeadMD T.A.M.

- All marketers
  - ICP all Marketo users/consider purchase
    - With a layer of data nuances
  - IDP 4/5 persona
  - **It's truly based on interest**

# What is an ideal customer profile?

- A description of a customer or set of customers that includes:
  - Demographic
  - Geographic
  - Psychographic characteristics
  - As well as buying patterns,
  - Creditworthiness
  - Purchase history

# Locking down a Solid ICP



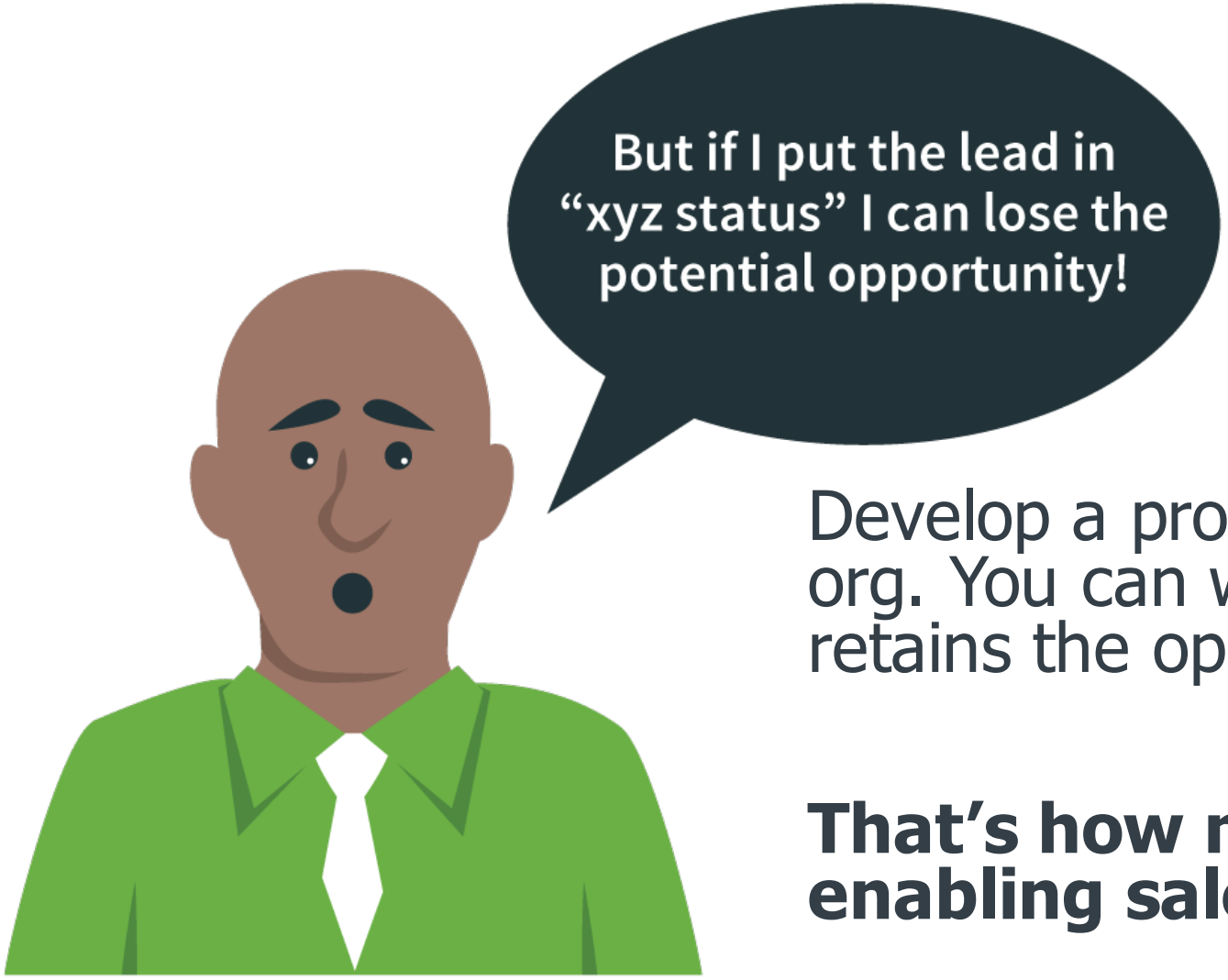
# What is an ideal buyer persona?

- A buyer persona is a detailed profile of your ideal buyers based on market research and real data about your actual clientèle.
- The more detailed your personas are, the more results they'll yield.

# No lead left behind

**The worst thing you can do, not assigning a lead**

- Make sure statuses are always up to date
- It's important to close off the bad behaviors
- Bad leads, stuck in bunk status = Time wasters
    - Feedback loop, never going to happen.




Develop a process that works for your sales org. You can write the process that the rep retains the opp for 6 months.

**That's how marketing should be enabling sales**

Marketo®

## Firmagraphics
Who are they?

**What is it?**

Field Based Data

Latency Issues

Quality Issues

## Behavioral
What are they doing?

**What is it?**

Interactions

Engagement

Content Fallacy

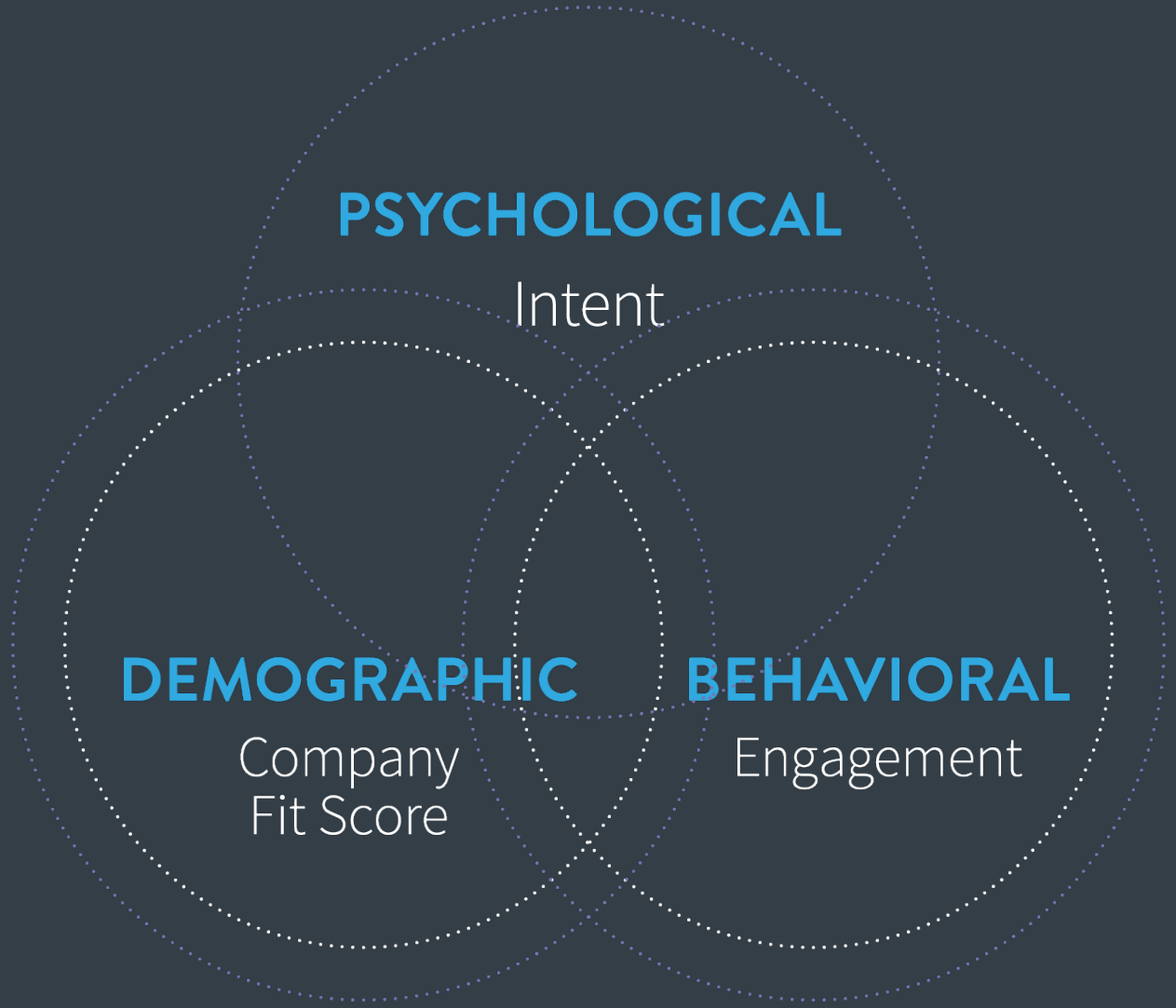
## Deconstructed
Experience driven data

**What is it?**

"In Head" Data

Subject to Prejudice

Subjective / Biased

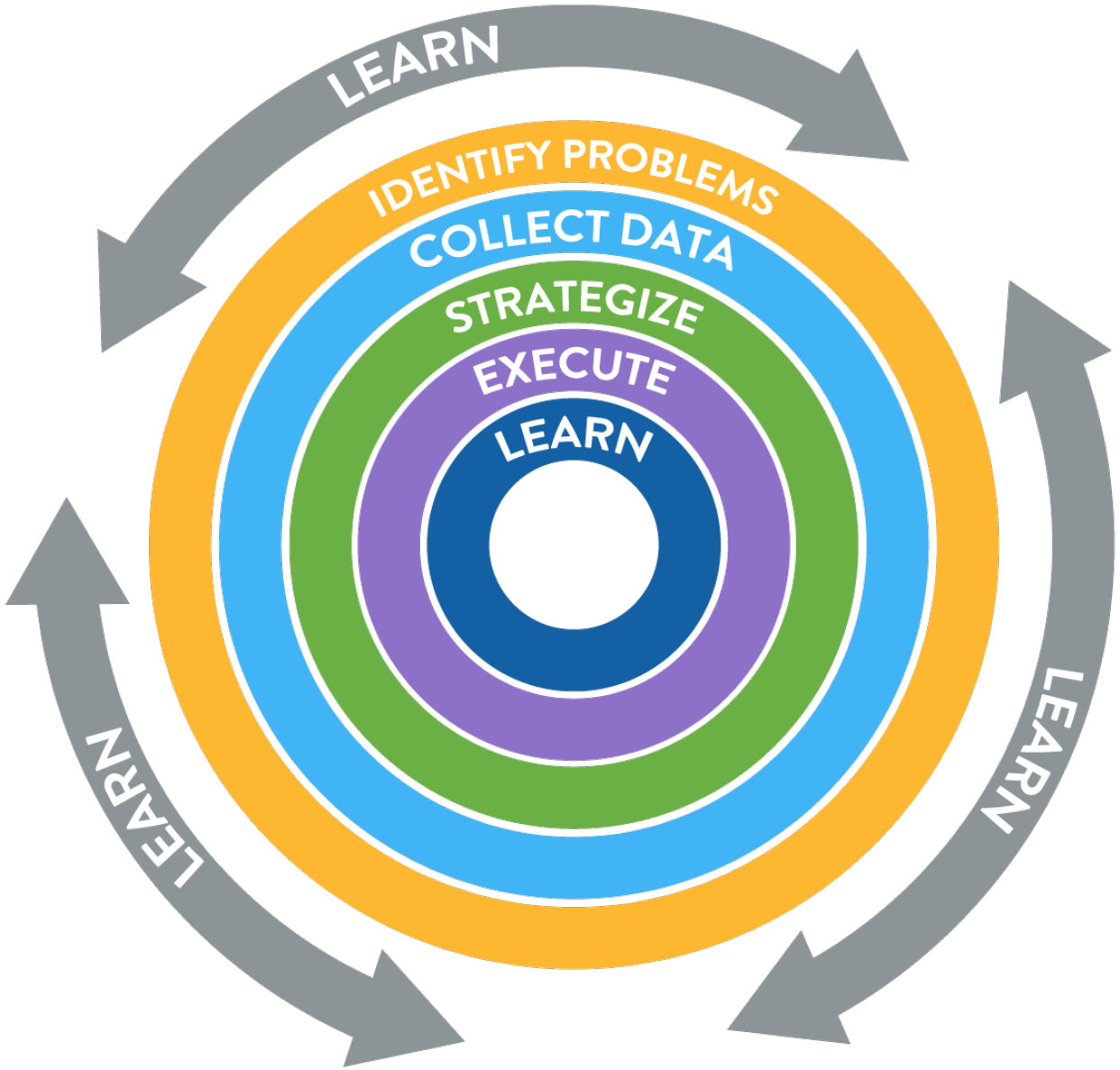


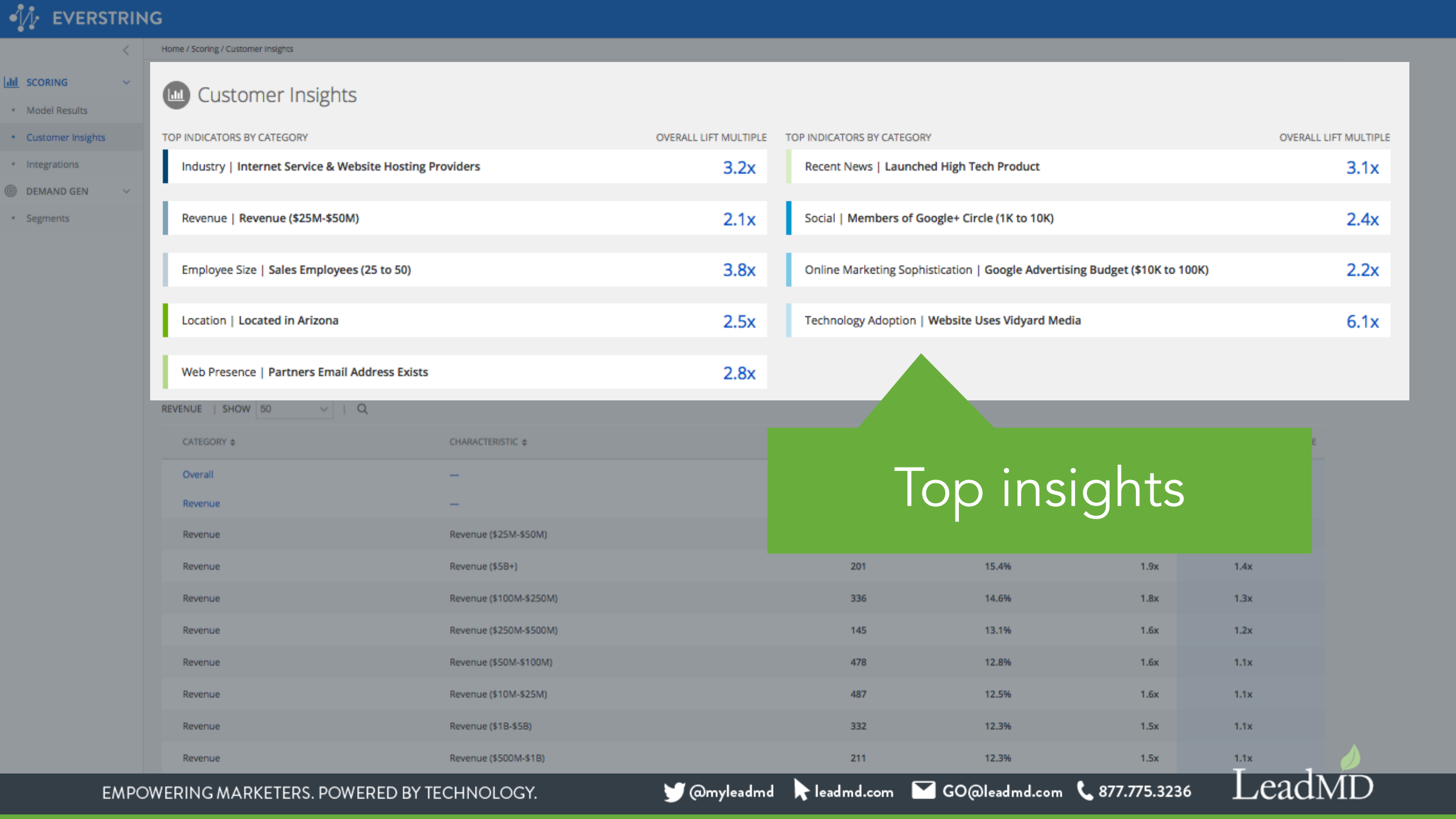

# Three Core Data Sets

# THE RULES

**Qualitative → Quantitative → Qualitative**

# The Evolution of Marketing IQ

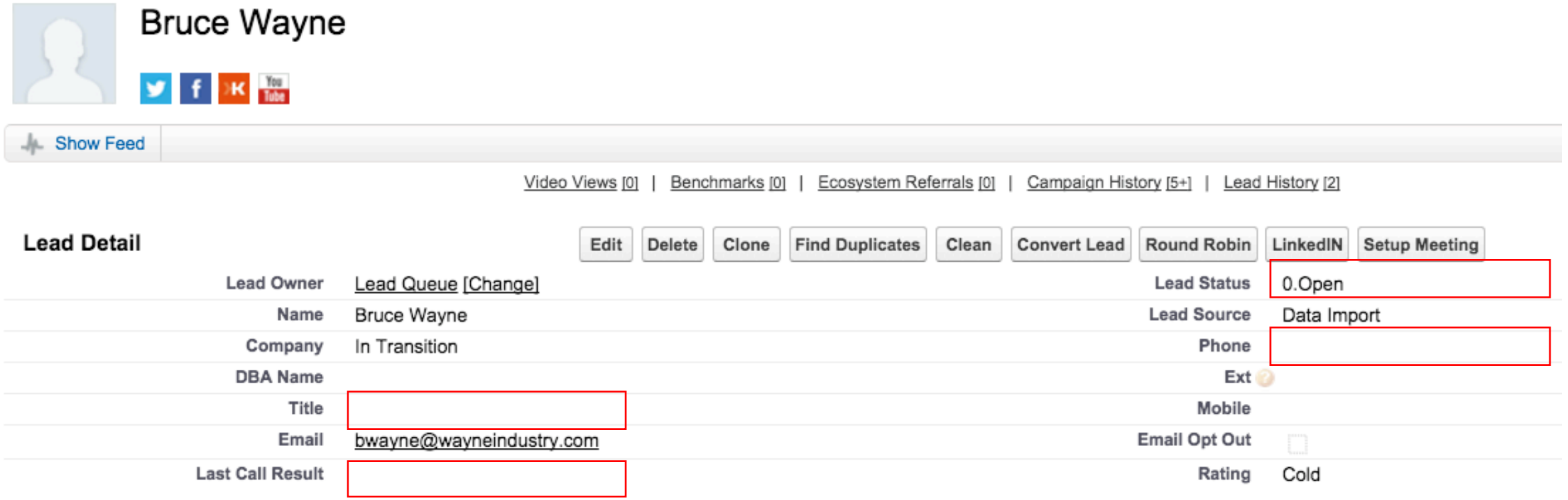



EVERSTRING
Home / Scoring / Customer Insights
SCORING
Model Results
Customer Insights
Integrations
DEMAND GEN
Segments
Customer Insights
TOP INDICATORS BY CATEGORY
OVERALL LIFT MULTIPLE
Industry | Internet Service & Website Hosting Providers 3.2x
Revenue | Revenue ($25M-$50M) 2.1x
Employee Size | Sales Employees (25 to 50) 3.8x
Location | Located in Arizona 2.5x
Web Presence | Partners Email Address Exists 2.8x
TOP INDICATORS BY CATEGORY
OVERALL LIFT MULTIPLE
Recent News | Launched High Tech Product 3.1x
Social | Members of Google+ Circle (1K to 10K) 2.4x
Online Marketing Sophistication | Google Advertising Budget ($10K to 100K) 2.2x
Technology Adoption | Website Uses Vidyard Media 6.1x
REVENUE | SHOW 50
CATEGORY
CHARACTERISTIC
Overall —
Revenue —
Revenue Revenue ($25M-$50M)
Revenue Revenue ($5B+) 201 15.4% 1.9x 1.4x
Revenue Revenue ($100M-$250M) 336 14.6% 1.8x 1.3x
Revenue Revenue ($250M-$500M) 145 13.1% 1.6x 1.2x
Revenue Revenue ($50M-$100M) 478 12.8% 1.6x 1.1x
Revenue Revenue ($10M-$25M) 487 12.5% 1.6x 1.1x
Revenue Revenue ($1B-$5B) 332 12.3% 1.5x 1.1x
Revenue Revenue ($500M-$1B) 211 12.3% 1.5x 1.1x
Top insights
EMPOWERING MARKETERS. POWERED BY TECHNOLOGY.
@myleadmd
leadmd.com
GO@leadmd.com
877.775.3236
LeadMD

# Part IV

# Actionable Steps

# Looking beyond score




**Chances are, your data is incomplete.**

# Surveys as a game changer

- Our valuable data points
- Evolves in real time
- Quantifies what's not known to the model

# Buyer Intent Survey

The deal is done - good or bad - but now it's time to learn from the experience. Your feedback on this opportunity is critical at increasing the effectiveness of our marketing & sales plays. Click begin to share your insights on the deal.

LeadMD

Begin

What's the buyer's gender?

Male

Female

What was the level of face-time with buyer?

Phone calls only | Video Chat | In-Person Meeting

What is the buyer's background?

Marketing | Sales | Innovation | Strategy | Intelligence

# Meet Our Buyers

## Entrenched Edward

Tenured Exec with the same lead manager doing the same thing and is bored to death

- **20% of buyers**
- Most time at position
- They want a fling and they want it now
- High budget control, can be a third party consultant

## Rising Rita

Young up and comer in a rising institution

- **15% of buyers**
- Least time at position
- Replacing the old guard's contractual relationships.
- Aspiring to be the best of the best
- A bit arrogant, but smart, ultimately an influencer you want on your side

## Startup Sue

Young, aggressive & looking for love

- **5% of buyers**
- Most tech literate
- Lowest revenue, smallest firm, influencer level
- A marketing unicorn who does a little bit of everything
- A great partner for a long lasting business relationship

## Poly Pam

Extremely knowledgeable who's personality differs based on her organization

- **60% of buyers**
- Guards her "island" and is most cautious.
- Doesn't want a long term engagement.
- Most purchasing authority
- Always looking for "gotchas" so be on your game

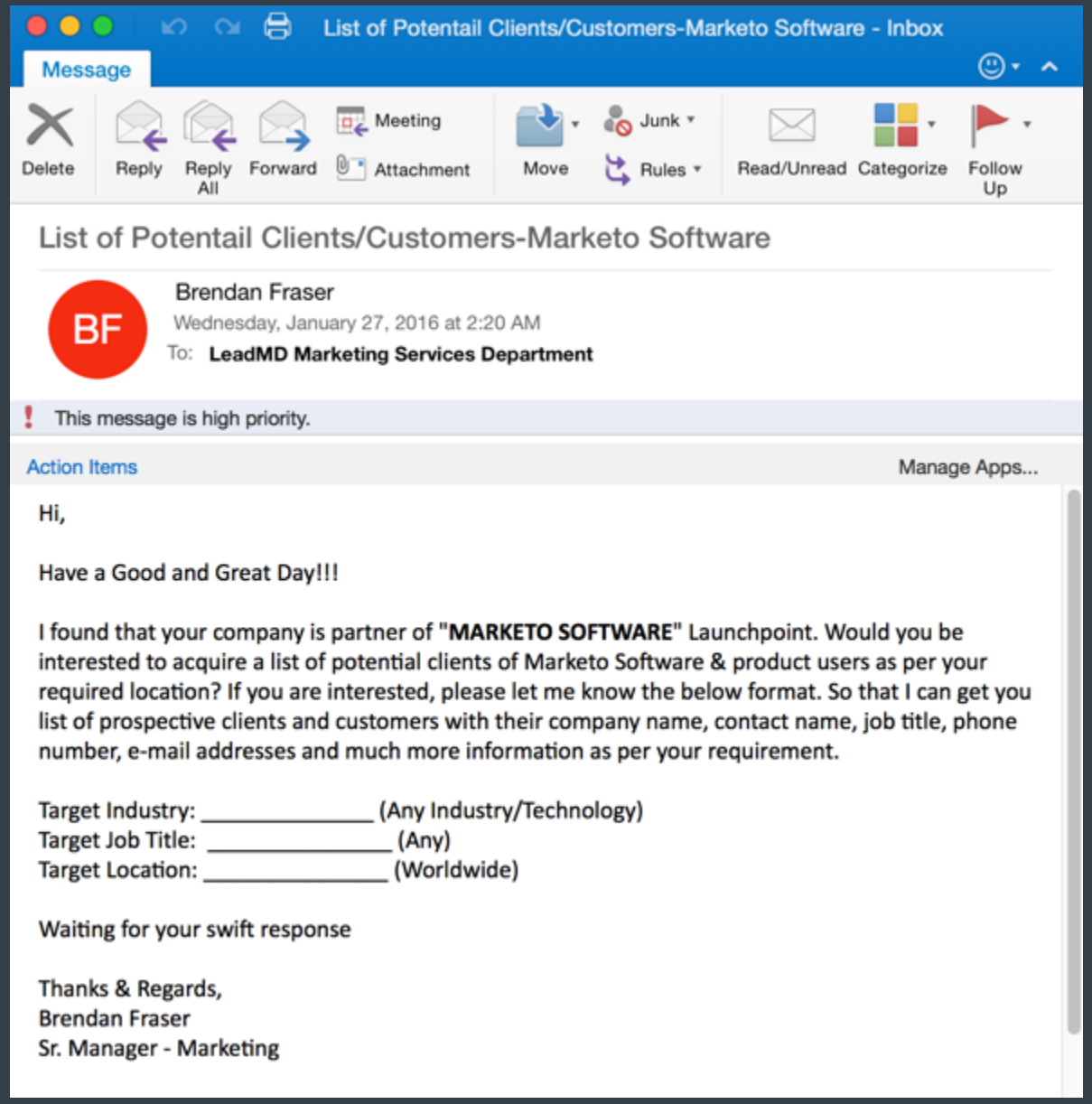
# Getting Formal:
## Ask your sales & customer service reps

- You'll get different answers based on:
  - Spend
  - Length of engagement
  - Relationship (scale)
    - 1:3 additional
    - NPS
    - In-head data

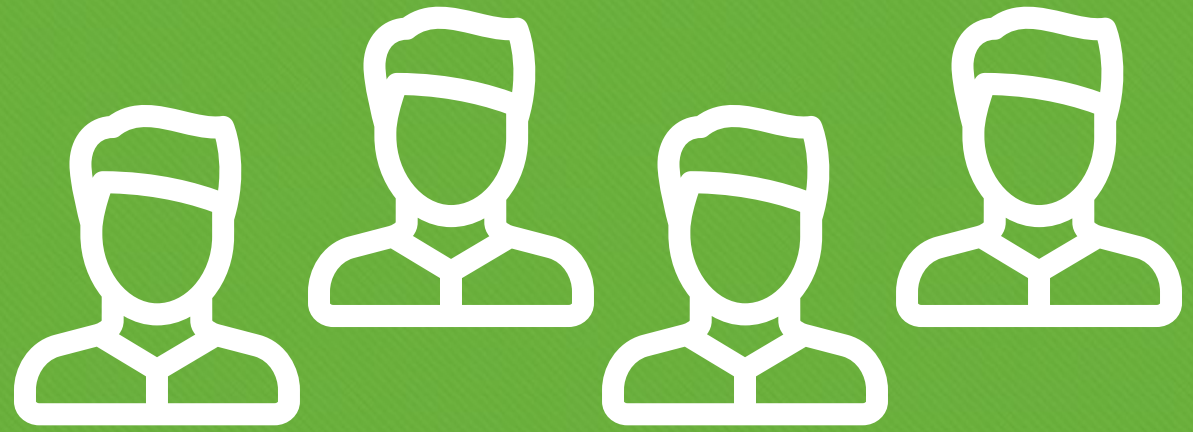
Consumer-level data:
a new look at demographics
We talk about buyers being more than businesses,
but we don't make that actionable
EMPOWERING MARKETERS. POWERED BY TECHNOLOGY.
@myleadmd
leadmd.com
GO@leadmd.com
877.775.3236
LeadMD

# We're **not** tapping into the best practices of **B2C** that we can leverage in **B2B**

# Anyone seen this email lately?



# Part IV



# Opportunity & Account Management

# Exercise 3:
# Creating intelligent buyer conversations

Right time, right place, right message – a primer to intelligent lead routing

- Who handles ICP Qualified Buyers/Accounts?
- Who follows up with potential ICP additions?
- Where do non-ICP/IBP Buyers Route?
  - Is there any value here?

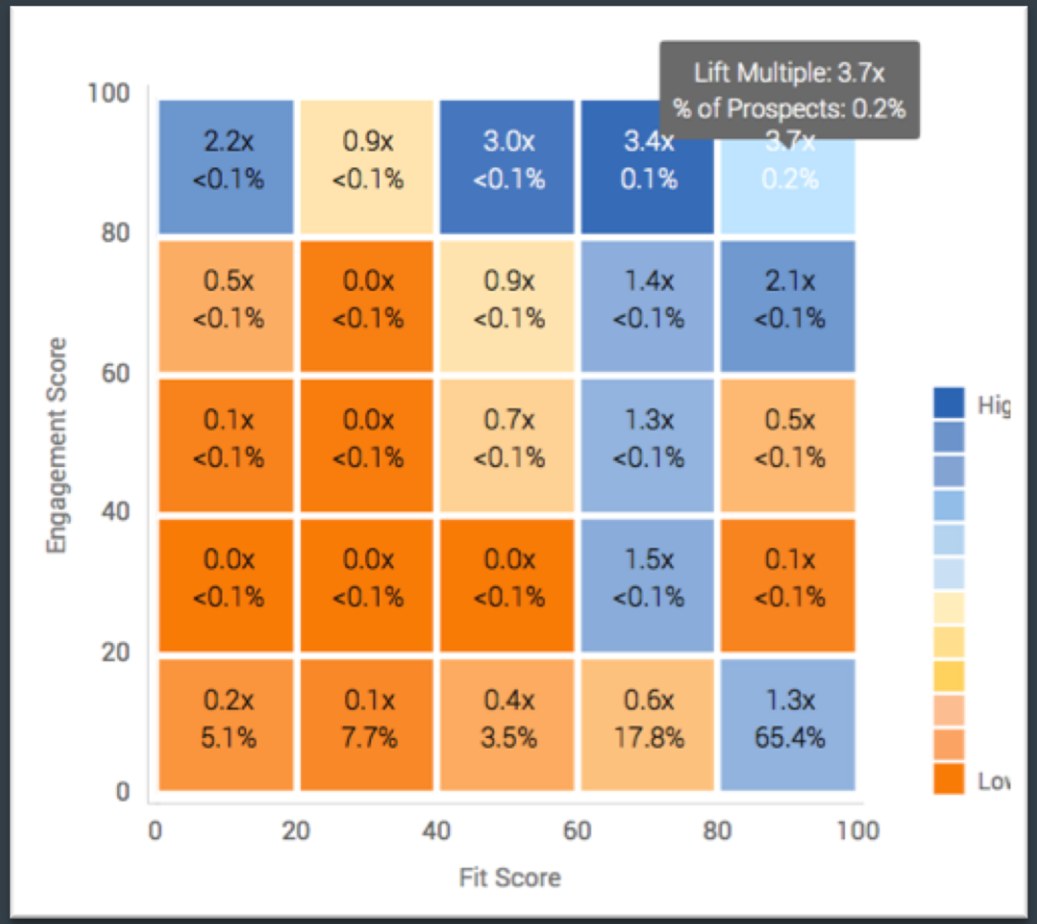
# Align the relevant resource

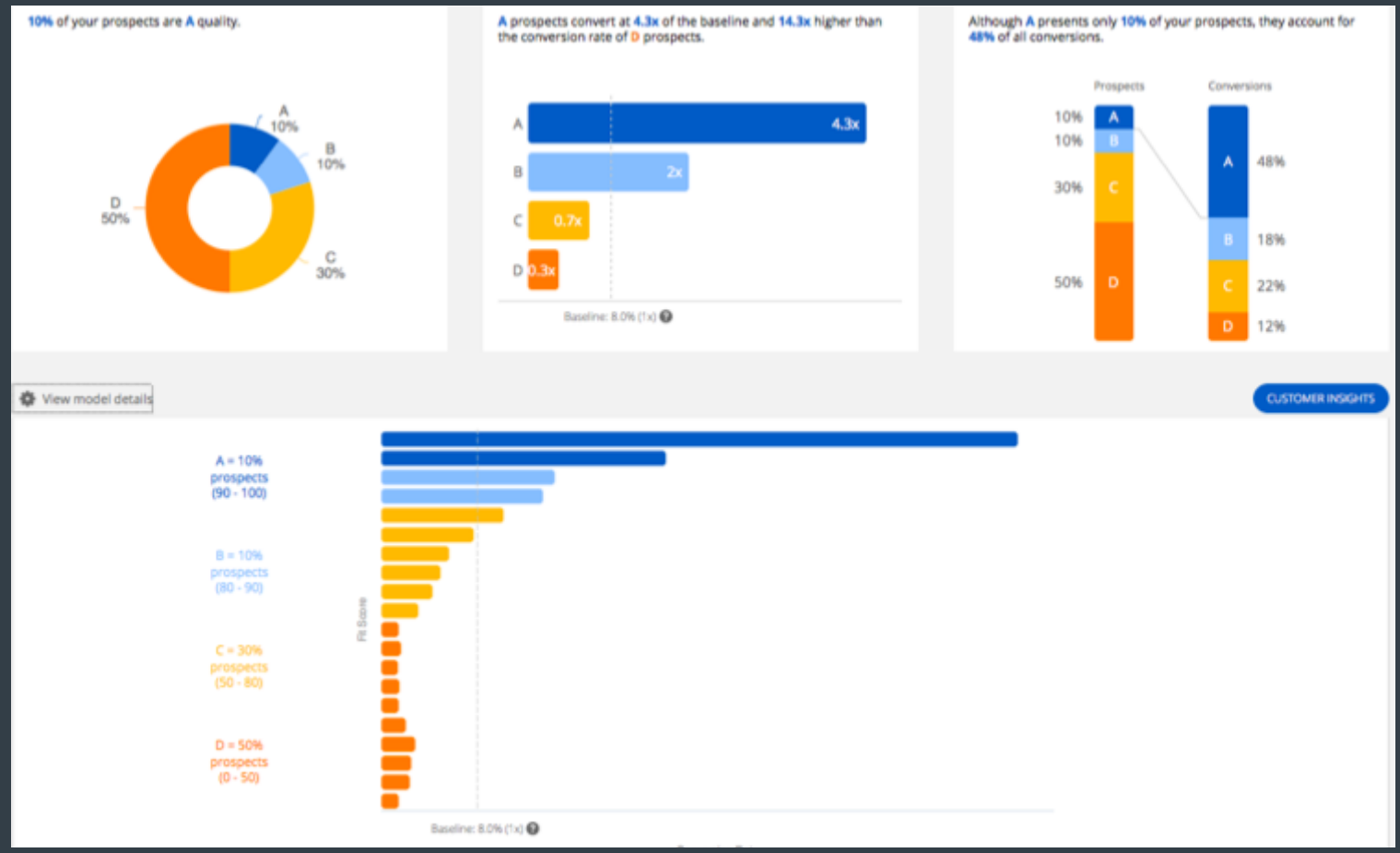
A = Goes to Sales

B = BDR

C = Off to Marketing

D = Off to Marketing






# Eliminate the Noise!

# Exercise 3 (cont): Content Mapping Exercise

- Buyer/Account Persona
- Buying Stage
- Tailored Content that Converts
- Marketing & Sales Messaging is more than 'Air Cover'
  - It is central to ABM Strategy & Execution

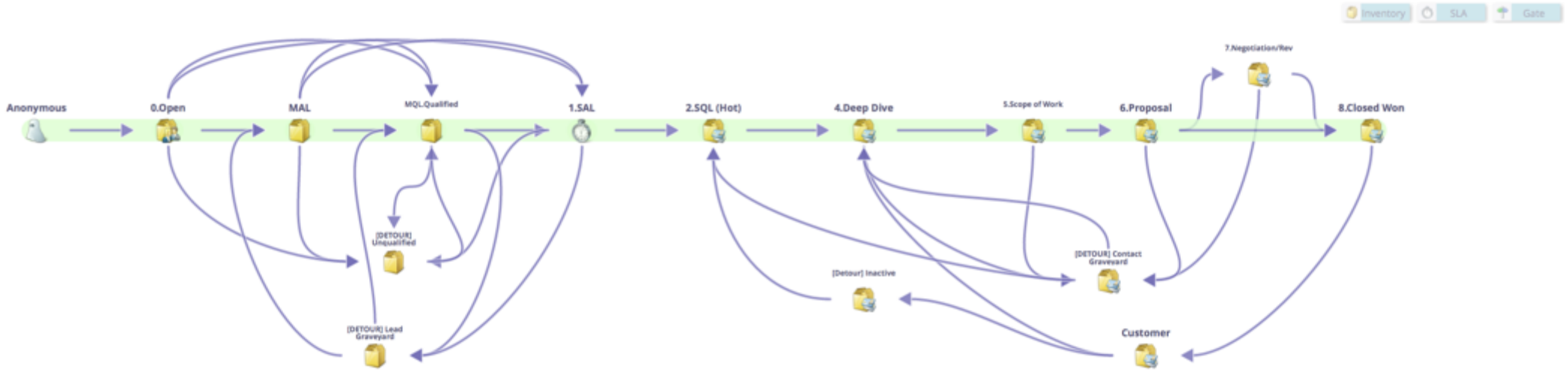
# Scale to a sales playbook

- Personality of sales & service based on buyer
- Linguistics & Style based on Reps

# Lead and Contact Routing @ LeadMD

| SFDC Type | Lead | | | | Contact | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Record Type | Master | | | | Business Account | | | | | Individual Account | Recruiting Prospect |
| Lead Status or Account Type | New Lead | Warm Lead | Hot Lead AQL | Hot Lead MQL | White-label Customer | Customer, Inactive | Graveyard | Prospect | Partner, Reseller, Vendor, Press, Competitor | Customer | Prospect |
| Owner | Lead Queue | BDR Queue | BDR Rep | Round Robin To SC | Round Robin To SC | 90 Day Business Logic ** | Initial Owner | Transferred From Lead Owner or Round Robin'd to SC | Justin Gray | Round Robin To SC | HR Director |

# Marketing & Sales Alignment




- Key is routing not only AQL v SQL but also surrounding campaigns
  - Persona based nurture (engagement program)
  - Show how marketing & sales work together on a "lead"

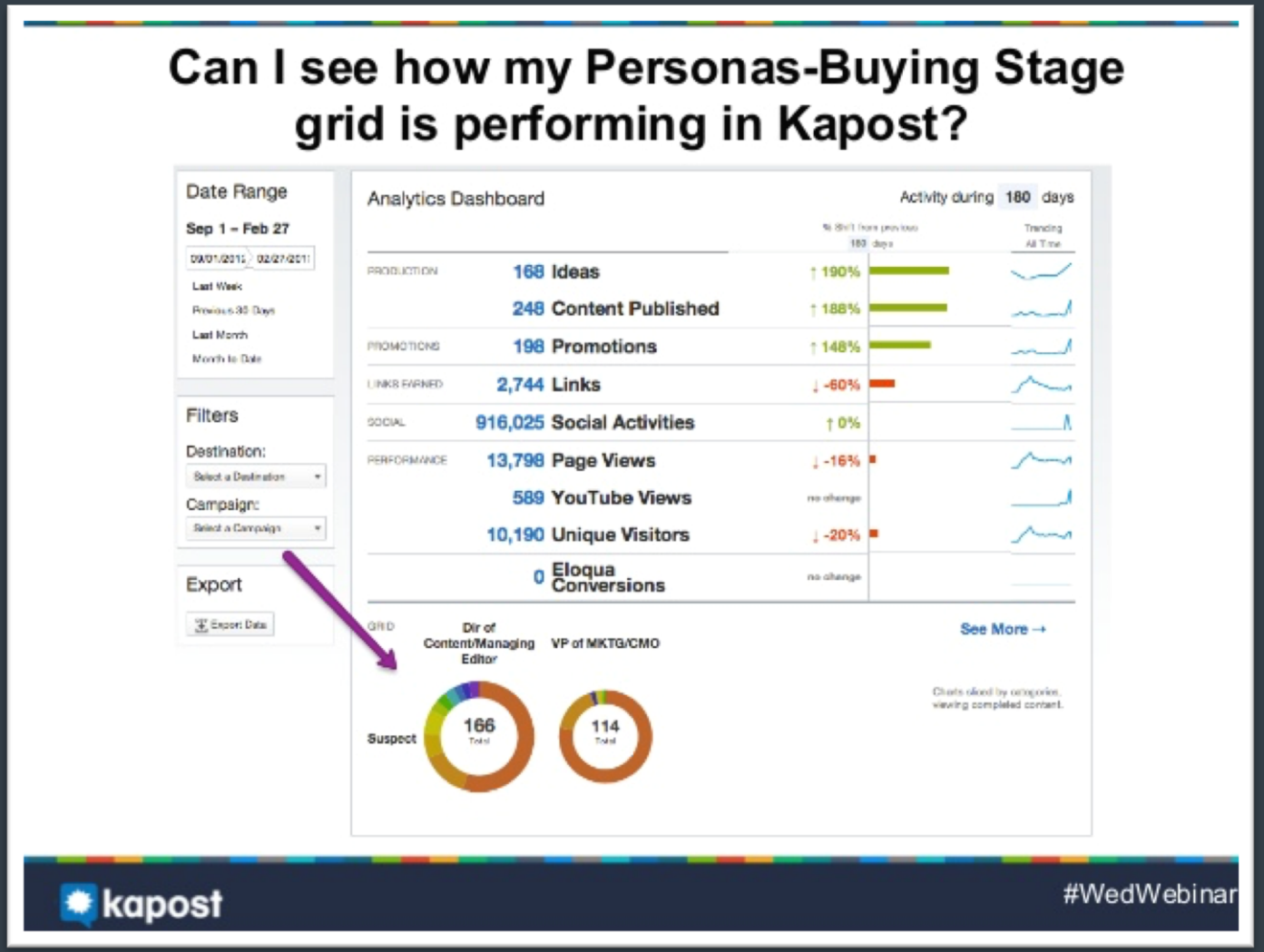
# Look at interactions

## It’s important to align your internal personas with your external

| | Big 5 Personality Traits | | | | | Political Compass | |
|---|---|---|---|---|---|---|---|
| Name | Openness | Concientiousness | Extraversion | Agreeableness | Neuroticism | Economic | Social |
| Josh Wagner | 4.3 (59%) | 2.9 (24%) | 4.7 (96%) | 3.4 (22%) | 1.2 (1%) | 2.88 | -3.33 |
| Kurt Vesecky | 3 (5%) | 4 (76%) | 3.8 (75%) | 3.8 (39%) | 2.1 (16%) | 2.00 | -1.28 |
| Andrea Lecher-Becker | 4.7 (82%) | 3.8 (66%) | 2.9 (41%) | 3.2 (16%) | 2.3 (22%) | -4.63 | -3.28 |
| Caleb Trecek | 3.3 (12%) | 3.6(57%) | 2.5(27%) | 3.9 (45%) | 2.3 (22%) | -1.63 | -0.15 |
| Shauna Bradley | 4.3 (59%) | 3.8 (66%) | 4.7 (96%) | 4.4 (74%) | 1.4 (3%) | -8.25 | -3.33 |

# The Role of Content

- Show how persona's drive:
  - Ideation
  - Alignment
  - Creation
  - Execution
  - Analytics



# Personas

Client:

No Client

PERSONAS

## VP Sales

They lead and direct a sales team or department to meet revenue and budgetary objectives. The role involves strategic planning, managing people, selling, leveraging technology and improving processes.  A vice president of sales is a key member of the senior management team.

## IT Manager

IT managers have a lot in common with project managers but their main difference is one of focus: an IT manager is responsible and accountable for an ongoing program of IT services while the project manager's responsibility and accountability are both limited to a project with a clear start and end date.

## Product Manager

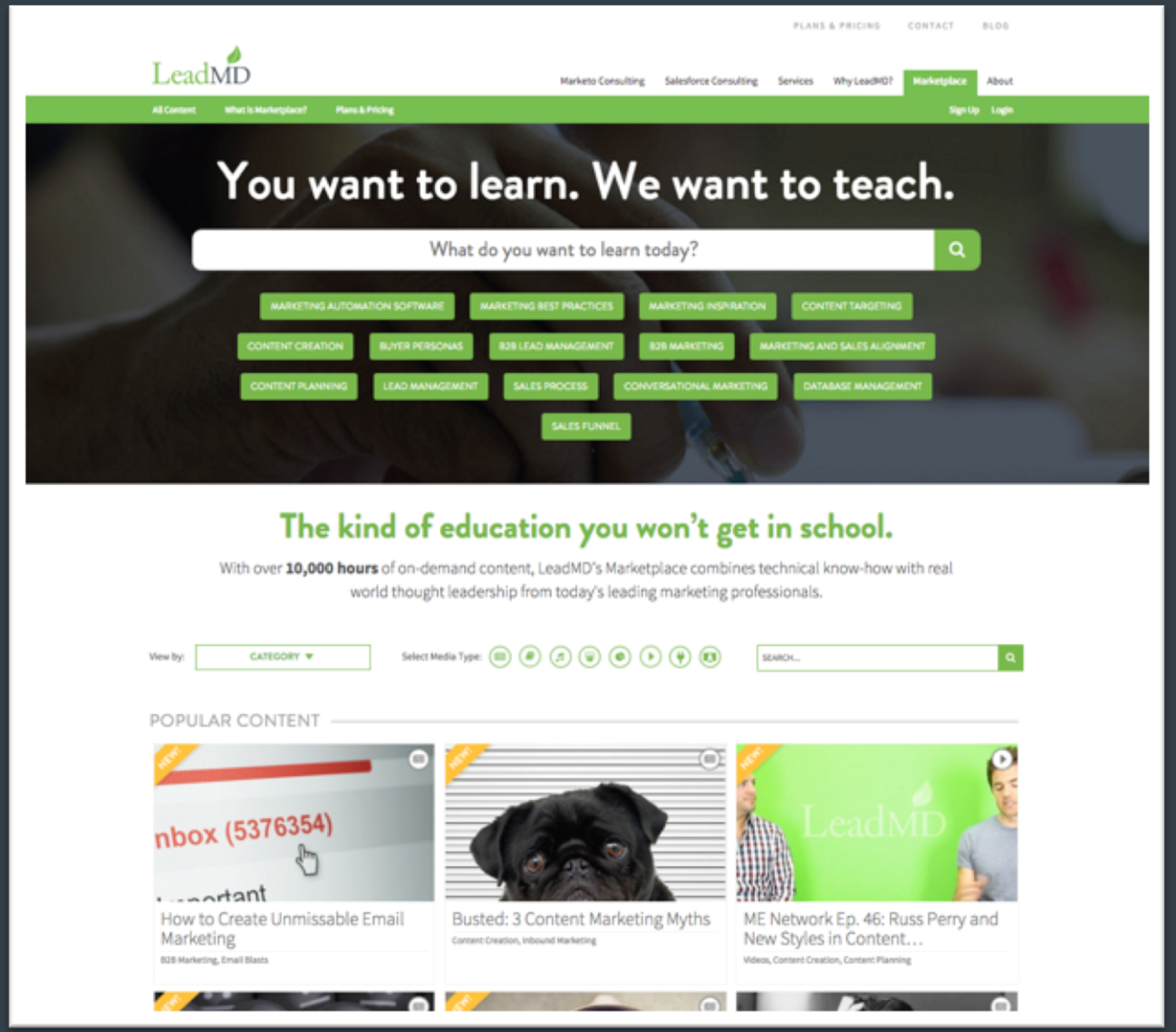
A product manager considers numerous factors such as intended demographic, the products offered by the competition, and how well the product fits with the company's business model. Generally, a product manager manages one or more tangible products. However, the term may be used to describe a person who manages intangible products, such as music, information, and services.

BUYING STAGES

| | | | |
|---|---|---|---|
| **Suspects** | As a leader, they are interested in how to lead a sales team. Talk about what they are interested in. | Because they are a manager they want visibility over the team. | They want to hear about the competition and know what products are out there. |
| **Prospects** | Difference of regions and how to meet sales targets | As they move down the funnel start challenging them more. Posing questions they have not | At the prospect level they want to know how the product fits in with their business model |

# The outcome

- Creating a home for your content, driven by best practices based on what your buyers are looking for



# Part V

# Where do we go from here?

# Takeaways you can use tomorrow

- What are you going to do to clone your best customers?
- How are you going to use in-head data?

**Resources to Use:**

- Today's Preso
- LeadMD & Everstring Case Study
- TOPO Predictive Report on LeadMD

# Part VI

# Q&A

# Thank you!