A three-page excerpt from our 18-page Best Practice Guidebook:

Implementing an Effective Demand Management Process
Implementing an Effective Demand Management Process

**GUIDEBOOK SUMMARY**

**Firm:** Kronos  
**Industry:** Software Services and Applications  
**Headquarters:** Chelmsford, Massachusetts, United States  
**Geographic Footprint:** Global  
**Ownership:** Private  
**Revenue (2012):** $870 million USD

**Problem:**  
Corporate Marketing needs to improve the quality and volume of leads generated to help grow the business, by addressing shortcomings in the lead management process and demand generation performance.

**Solution:**  
Corporate Marketing at Kronos develops a demand management strategy to provide Sales with high-quality, actionable leads through:

- **Enhanced lead management:**
  - Conducting a thorough evaluation of the existing process
  - Developing a cross-functional vision for the future state of lead management
  - Improving the prioritization and scoring of leads
  - Establishing criteria for lead filtering and progression

- **Improved demand generation:**
  - Creating personalized multi-touch campaigns
  - Expanding and categorizing content

**Business Results:**  
**Before (2008):**
- 15,000 Marketing Captured Leads (MCLs)
- 4% inquiry to Marketing Qualified Lead (MQL) conversion
- 8% sales pipeline contribution

**After (2011):**
- 55,000 Marketing Captured Leads (MCLs)
- 12% inquiry to Marketing Qualified Lead (MQL) conversion
- 27% sales pipeline contribution

**Resources Required:**
- Executive sponsorship (Chief Marketing Officer)
- Cross-functional project team: Marketing, Sales, IT, and Finance
- External project manager
- Investment in applications and integration development

**Applicability of Best Practice to Executive Functions:**

<table>
<thead>
<tr>
<th>Function</th>
<th>Applicability</th>
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<tbody>
<tr>
<td>Marketing</td>
<td>☑</td>
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<tr>
<td>Sales Leadership</td>
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Kronos Corporate Marketing builds a comprehensive demand management process

Kronos Demand Management Renewal Process

1. Create Demand Management Strategy

Objective: Develop a strategy to revitalize lead management activities

Activities:
- Build a cross-functional team to address lead management issues
- Assess existing lead management practices from people, process, and technology perspectives
- Create a strategy and process for the future of demand management

Outputs:
- Lead management task force
- Assessment findings
- Lead management goals
- Demand management process
- Glossary of terms

2. Enhance Lead Management

Objective: Expand the flow of high-quality leads to Sales

Activities:
- Lead Processing:
  - Conduct lead cleansing and augmentation
  - Establish lead priority and routing based on explicit and implicit ratings
- Lead Development:
  - Adhere to Service Level Agreements (SLAs) in developing leads
  - Convert Marketing Captured Leads (MCLs) to Marketing Qualified Leads (MQLs) through a qualitative and quantitative prioritization process

Outputs:
- Lead cleansing process and technology solution
- Service Level Agreements (SLAs) across the organization
- Lead scoring/qualification criteria

3. Improve Demand Generation

Objective: Drive increased demand across the buying cycle

Activities:
- Organize and prioritize existing marketing content
- Create a content strategy that is:
  - Multi-touch
  - Tailored by prospect
  - Aligned with the value proposition
- Develop content/offers versioned by vertical, function, and buying stage

Outputs:
- Vertical- and function-specific content that spans all stages of the buying cycle
- Personalized multi-touch campaigns for each segment
- Content Repurposing Methodology
- Contact acquisition strategy

4. Conduct Lead Nurturing

Objective: Re-engage stalled leads at all stages of the buying cycle

Activities:
- Manually nurture prospects in the early stage of the buying cycle via offers tailored to specific needs
- Institute an automated nurture program for unresponsive prospects
- Continue nurturing customers for cross-sell and upsell opportunities

Output:
- Nurture campaigns by function, vertical, and buying cycle stage

Source: Kronos; Growth Team Membership™ research.
KEY TAKEAWAY: Focus on solving lead management challenges first

Kronos identifies issues with demand management and prioritizes lead management challenges…

**Demand Management Problem Identification**

**Insight: tackle lead management first**
A common pitfall is to boost demand generation efforts, without examining the lead management process. This results in:

- Continued Sales’ dissatisfaction with leads
- Issues with lead velocity and quality
- Inefficient expenditure on demand generation programs

**Demand Management Definitions**

**Demand Management**
The process of identifying and engaging prospects, converting them to leads, and moving them through the sales pipeline. There are two components to the process:

**Demand Generation**
Marketing programs designed to increase demand across all stages of the buying cycle

**Lead Management**
The process and systems designed to clean, prioritize, qualify, and route leads to Sales for progression through the sales pipeline

**Lead Management Taskforce**

<table>
<thead>
<tr>
<th>Source: Kronos; Growth Team Membership™ research.</th>
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<tbody>
<tr>
<td><strong>Marketing</strong></td>
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<tr>
<td>Percent of Time Spent on Project</td>
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<tr>
<td>Steering Team—provides strategic direction and approves project scope</td>
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<td>Chief Marketing Officer</td>
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<td>VP, Corporate Marketing</td>
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<td>VP, Sales Operations</td>
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<td>VP, Information Technology</td>
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<td>Senior Director, Finance</td>
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<td>Director, Inside Sales</td>
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<td>Director, Sales Effectiveness</td>
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<td>Director, Demand Generation</td>
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<tr>
<td>Project Team—provides expert understanding of the process, and develops future states</td>
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<td>Director, Marketing Operations</td>
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<td>Director, Web Strategy</td>
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<tr>
<td>Manager, Inside Sales</td>
</tr>
<tr>
<td>Senior Sales Representatives (5)</td>
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<tr>
<td>Business System Analyst</td>
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<tr>
<td><strong>Total Full-Time Equivalents</strong></td>
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**External Project Manager**—helps manage the revitalization project, provides best-practice recommendations and benchmarks, and acts as objective advisor throughout the process

Project Manager 100%

**Project Duration**

January 2008 — April 2010

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View GTM's webinar with Steve Gray and Susan Paugh (Kronos)

Access the on-demand webinar

Revitalizing Demand Management

Steve Gray, VP of Corporate Marketing at Kronos, Susan Paugh, Director of Corporate Marketing Operations at Kronos, and GTM present this best practice. Steve and Susan share key lessons learned and participated in a Q&A session.