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

Implementing an Effective Demand Management Process



Best Practice Guidebook

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 12% inquiry to Marketing Lead (MQL) conversion
- 8% sales pipeline contribution

After (2011)

- 55,000 Marketing Captured Leads (MCLs)
- 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:

| Function | Applicability | |
|------------------|---------------|--|
| Marketing | | |
| Sales Leadership | | |

Kronos Corporate Marketing builds a comprehensive demand management process

Kronos Demand Management Renewal Process

Create Demand Management Strategy

Enhance Lead Management

Improve Demand Generation

Conduct Lead Nurturing

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

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

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

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

Outputs

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

Outputs

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

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

Output

 Nurture campaigns by function, vertical, and buying cycle stage



KEY TAKEAWAY: Focus on solving lead management challenges first

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

Demand Management Problem Identification

...by establishing a cross-functional taskforce

Lead Management Taskforce



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

| | Marketing | Sales | IT | Finance | | |
|---|-----------|----------------------------------|------|---------|--|--|
| | | Percent of Time Spent on Project | | | | |
| | | | | | | |
| Steering Team—provides strategic direction and approves project scope | | | | | | |
| Chief Marketing Officer | 10% | | | | | |
| VP, Corporate Marketing | 25% | | | | | |
| VP, Sales Operations | | 5% | | | | |
| VP, Information Technology | | | 5% | | | |
| Senior Director, Finance | | | | 5% | | |
| Director, Inside Sales | | 5% | | | | |
| Director, Sales Effectiveness | | 15% | | | | |
| Director, Demand Generation | 15% | | | | | |
| Project Team—provides expert understanding of the process, and develops future states | | | | | | |
| Director, Marketing Operations | 75% | | | | | |
| Director, Web Strategy | 25% | | | | | |
| Manager, Inside Sales | | 25% | | | | |
| Senior Sales Representatives (5) | | 5% X 5 | | | | |
| Business System Analyst | 25% | 25% | 25% | 25% | | |
| Total Full-Time Equivalents | 1.75 | 1.25 | 0.30 | 0.40 | | |
| | | | | | | |

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%

| January 2008 | Project Duration | April 2010 |
|---------------|------------------|-----------------------|
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View GTM's webinar with Steve Gray and Susan Paugh (Kronos)

ASK THE THOUGHT LEADER WEBCAST

A quarterly webcast from the Growth Team Membership[™] program

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.

Please contact us to learn how to access the full Best Practice Guidebook or for information on Growth Team Membership.™



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