

WHITEPAPER

THOUGHT LEADERSHIP MARKETING

By: ActiveConversion



The Opportunity

B2B companies can acquire customers and drive revenue with thought leadership marketing. Traditionally associated with top tier management consulting firms, thought leadership marketing can be adapted to meet the needs of all B2B companies. Changes in buyers' use of the internet and search engines in particular have challenged B2B firms to adjust to new ways that decision-makers make purchase decisions.

This sea change in the way buyers and vendors engage each other is being driven by three key developments in buyer behavior:

- 1** First, research is being conducted by chief executives themselves. According to a 2009 Report by Forbes Insights in association with Google, more than half of C-suite executives prefer to locate information themselves instead of delegating to subordinates.
- 2** Second, the internet has become the preferred means of business research. In the same Forbes report, executives declared the internet more valuable than any other source for gathering business information, surpassing even colleagues and personal networks.
- 3** Third, when executives go online, they first turn to mainstream search engines. This development levels the playing field for B2B companies. A firm's appearance in search engine results does not require the substantial budget required for conventional advertising/branding campaigns.

These developing global trends present challenges for B2B companies but they also represent a great business opportunity. Thought leadership marketing techniques can be adapted to meet those challenges.

The Challenge

Before the internet, vendors initiated engagement and if qualified, buyers were slotted into familiar monthly or quarterly sales cycles. Now the situation is reversed.

The sales cycle begins earlier and the buyer now initiates engagement. Accordingly sales cycles have elongated with buyers conducting considerable research before contacting the vendor. Since it is online, initial engagement is anonymous, with typically no straightforward way for a vendor to learn information about the buyer.

This has created significant challenges for marketers. For any given search topic there is more information than a buyer can absorb. This excess forces buyers to be selective about the content they view.

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Typically searchers view from the highest ranking results down and usually limit review to the first few search engine results pages (SERPs). B2B marketers have adapted by using search engine optimization (SEO). By optimizing a web page, marketers increase the likelihood that a searcher will land on that web page and view it. But any marketer must assume that its competitors using SEO will be listed in similar search results and convert them as soon as possible. The competition is only a click away.

Having been found by potential buyers, marketers must now compete to ensure that they are among the select few vendors to be contacted when a buyer is ready to proceed. Now, instead of vendors qualifying buyers, the roles are reversed with buyers qualifying vendors. B2B marketers have tailored thought leadership marketing techniques to meet this challenge.

Background

Before reviewing thought leadership marketing it may be useful to review the basis and subsequent evolution. The term thought leadership applies to people or companies who revitalize mature business processes with new ideas. It connotes companies that are recognized as deeply understanding their business, the needs of its customers and the broader economic environment in which those companies operate.

For management consulting firms where thought leadership marketing originated, their product could not be examined until their work was completed, presenting a predicament for potential buyers. Purchase decisions are therefore made on the basis of real or perceived expertise. In the world of management consulting and professional services in general, a vendor's reputation is vital and thought leadership establishes that reputation in the minds of decision-makers.

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As practiced by these companies, accepted thought leadership marketing success may mean writing a bestselling book, making speeches and having authoritative third parties review their ideas. According to technology research firm Gartner, Inc. up to 20 percent of marketing expenditure for these firms is reserved for thought leadership marketing.

Gartner has noted that thought leadership marketing has extended to marketers of services, particularly IT services. For these companies activities such as authoring bestselling books may be beyond reach but they have rationalized thought leadership marketing principles to suit their budgets. B2B companies can take advantage of thought leadership marketing principles by submitting articles to trade journals, participating on panels at trade shows and conferences, and engaging reviewers and others known to write on their industry.

Competing Online

The role reversal of buyers qualifying vendors instead of vendors qualifying buyers has forced marketers to compete to ensure that they are among the select few vendors to be contacted when buyers are ready for direct interaction.

In the initial online stage buyers are drawn to content that they find useful, informative and educational. They tend to tune out sales pitches and want to explore a subject in depth to develop a foundation for making a later decision. If a vendor's content is of no use, buyers will simply scroll down a SERP to the next vendor to see if they have more useful content.

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At this stage buyers are more interested in educating themselves than with choosing a vendor. However, in the process of educating themselves, buyers form opinions about the contending vendors based on the content that each offers. Quality content develops reputation by revealing a company's knowledge and insight in the business problem at hand.

Exploring the elements of reputation, B2B marketers noticed the fields of management consulting and professional services, where reputation is vital. Although traditionally averse to parting with proprietary information until paid, management consulting and professional services firms have made thought leadership marketing a key marketing strategy.

The basic premise of thought leadership marketing is that reputation is developed by sharing expertise and knowledge with others. In other words, prove you are an expert, not just assert it. Since purchase decisions are made on the basis of real or perceived expertise, demonstrating that expertise is critical.

Delivering Content for Reputation

In the longer term, social media can be a key element of thought leadership marketing. Since social media can enhance reputations, thought leaders can further their business goals.

In the short-term, SMBs can leverage social media two main ways:

1

First, social networking sites offer traditional advertising. Although advertising can be acquired per impression (CPM), B2B marketers are more likely to opt for the more cost-effective pay per click because prospects can be targeted more effectively.

2

The second way is the one generating the most interest in B2B companies. This is by joining the online conversation to interact with customers and potential customers. By providing advice, insight or guidance into customer's business issues and problems, B2B companies can directly and indirectly generate sales leads that feed their online marketing automation system. Twitter and blogging are the most popular for this, and should be tightly targeted.

Here are some tips to get started quickly and economically:

- ▶ Select a social networking platform that fits your target market. Engage your customers to discover their favorites. Don't attempt to move them to an unfamiliar social networking platform.
- ▶ Try it by setting up an account. The social networking sites are generally free so there is no cost barrier for a trial. But keep it up for at least 3-6 months.
- ▶ Listen to the ongoing conversations about your company and its products. Respond when appropriate, but without being the commercial.
- ▶ Use existing resources like your email database to publicize your social media presence. Or use advertising like Google AdWords to drive new, interested members to it.
- ▶ Create discussions and interest groups to keep members engaged.
- ▶ Ensure the corporate website is the focal point of your social media activities so that you can capture their interest using a modern marketing automation system.

Blogging enables companies to connect cost effectively with their customers and potential customers. Successful blogging attracts readers who seek advice, insight or guidance into their business issues and problems. B2B blogging also humanizes an organization, building credibility and enhancing its reputation.

Blog posts can be used to highlight a particular aspect of a business problem, while hyperlinking to the company's white paper or microsite on the larger topic. A slide presentation posted online can serve the same purpose, delivering a similar message in a more visual manner.

Social media websites such as YouTube, where users can upload and share videos, deserve focus because of their rapidly increasing popularity among business users. Recent surveys show that almost one quarter of all C-suite executives indicated a preference for retrieving business information via online video. Posting webinars online can serve the same purpose as blog posts, humanizing an organization.

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B2B companies also utilize thought leadership marketing principles by submitting articles to online or print trade journals, participating on panels at trade shows and conferences, and engaging reviewers and others known to write on their industry.

It is especially important for B2B marketers to acquire and cultivate third party reviewers. This practice leverages the phenomenon that members of a community tend to reference each other when making a purchase decision. Each encounter with a third party reviewer may not make it online or into print but each interaction will strengthen share of mind with that reviewer.

Reducing the Imbalance

The role reversal of buyers qualifying vendors instead of vendors qualifying buyers created an imbalance where the buyer controlled the point of contact. By taking advantage of a marketing automation system, B2B marketers can reduce the imbalance and also realize advantages in the short term.

With a marketing automation system like ActiveConversion, companies are identified the moment their representative lands on the vendor's website. As the buyer conducts online research, the marketing automation system automatically accumulates business intelligence which will aid the vendor and the buyer later on in the sales cycle.

Tracking online behavior such as the information viewed and criteria such as length of time reviewed, the marketing automation system can help focus the sales discussion once direct contact is made. The vendor's sales representative is now better prepared and the imbalance is reduced.

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If the buyer takes the opportunity to self-identify while researching online, this provides the vendor with the option of having the sales representative initiate contact. This further restores balance.

As noted above the sales cycle now begins earlier when the buyer initiates research. Accordingly sales cycles have elongated with buyers conducting considerable research before contacting the vendor. Over the course of this elongated sales cycle continuous interaction with a sales representative would be too costly.

A marketing automation system like Active Conversion provides continuous, automated engagement. Once the buyer is identified, contact can be maintained via lower cost means such as email and webinars. Effectively the marketing automation system is nurturing the buyer until he or she is sales-ready.

Summary

Thought leadership marketing has gained popularity because of changes in buyer behavior due to access to the Internet. C-suite executives now turn to the Internet as their primary source of business information. This has changed the game for vendors who must now compete to ensure they are among the select few to be called when buyers are ready to buy.

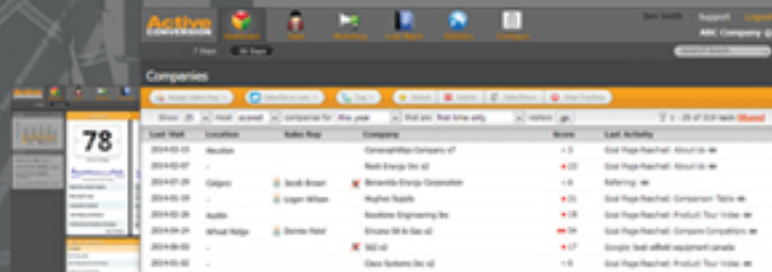
B2B marketers have found that thought leadership marketing techniques build reputation through traditional media such as white papers and through newer social media such as blogging and online video.

Implementing a marketing automation system like Active Conversion will improve the likelihood of acquiring customers.

The changes in buyer behavior resulted in an imbalance where the buyer controlled the point of contact, reversing roles. Previously vendors qualified buyers instead of buyers qualifying vendors as it is now. Implementing a marketing automation system like Active Conversion can restore the balance and improve the likelihood of acquiring customers.

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Lead	Location	Subs. Rep.	Company	Score	Last Activity
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2014-01-01			Next Energy (de id)	+2.0	Get Page Reached About Us de
2014-01-28	Chicago	Jack Brown	Shenandoah Energy Generation	-1.6	Referring de
2014-01-28		Loren Wilson	Wynco Supply	+2.0	Get Page Reached Company Site de
2014-01-28	Austin		Proforce Engineering Inc	+2.0	Get Page Reached Product Tour Video de
2014-01-21	Wheat Ridge	Shirley Reed	Enzone Oil & Gas (de)	+2.0	Get Page Reached Company Comparison de
2014-01-01			MSI (de)	+2.7	Simple Get off-Call equipment (Canada
2014-01-01			Case Systems (de id)	-1.6	Get Page Reached Product Tour Video de

About ActiveConversion

ActiveConversion specializes in developing repeatable online sales and marketing systems for industrial companies. Our technology-based system employs best practices in online marketing and lead generation, and delivers measurable results to our customers. Since 2004, we have completed more than 500 successful projects to help companies succeed online. For more information, visit activeconversion.com or call 1-877-872-2ROI.