OM MARKETING The Rise of Revenue Marketing

How Marketing and Sales Alignment is the Future of B2B Growth



Executive Outlook

B2B performance marketers (myself included) have spent the last five years perfecting lead generation strategies – lowering barriers to entry, building countless landing pages, creating lead ads, and "gaming" the funnel. The result has become CRMs full of contacts with poor attribution, low CPLs, and even lower lead-to-customer conversion rates. We spent so much time focusing on leads, we lost sight of what motivates our actual customers.

It's time to stop optimizing for traffic conversion rates and focus on understanding what makes someone choose your solution. Marketing Qualified Leads (MQLs) don't move the needle, Sales Qualified Opportunities (SQOs) do. Don't get me wrong – leads matter. But our goal is to better understand what makes someone a qualified lead, and not just another CRM contact. Once we know that, we can focus on improving the experience for our potential customers.

A revenue-based approach to B2B marketing is the solution. "Revenue Marketing" will be the next evolution of marketing (and a requirement) as marketing and sales continue to merge in the world of digital communication. This approach works to understand prospect needs, create strategies to solve pain points, and acquire opportunities instead of just contacts, ultimately reducing CAC and shortening sales cycles.



Why Revenue Marketing is the Solution

Revenue marketing is a goal-oriented approach to marketing and sales where the primary goal is revenue. Marketing and sales are aligned on that same high-level objective, and work hand in hand by creating a feedback loop to optimize the prospect experience in order to create more revenue. Key metrics on both ends are deeper down the funnel, such as sales qualified opportunities (SQOs).

This solution begins with removing the gap between marketing and sales. In revenue marketing we open up communication between departments and restore the feedback loop. Marketing needs a more direct line to our customers and prospects, and the opportunity to understand the customer's real issues. We will seek answers to questions like:

• "Why do customers buy?"

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- "What problems are they really solving?"
- "What are the reasons customers don't buy?"
- "What makes someone a repeat customer?"

With a deeper understanding of our customers, we can then create a customer-centric funnel strategy. This approach better understands the customer's perspective and needs, and naturally creates a stronger marketing experience as it shifts from transactional touchpoints to value creation. + + + +

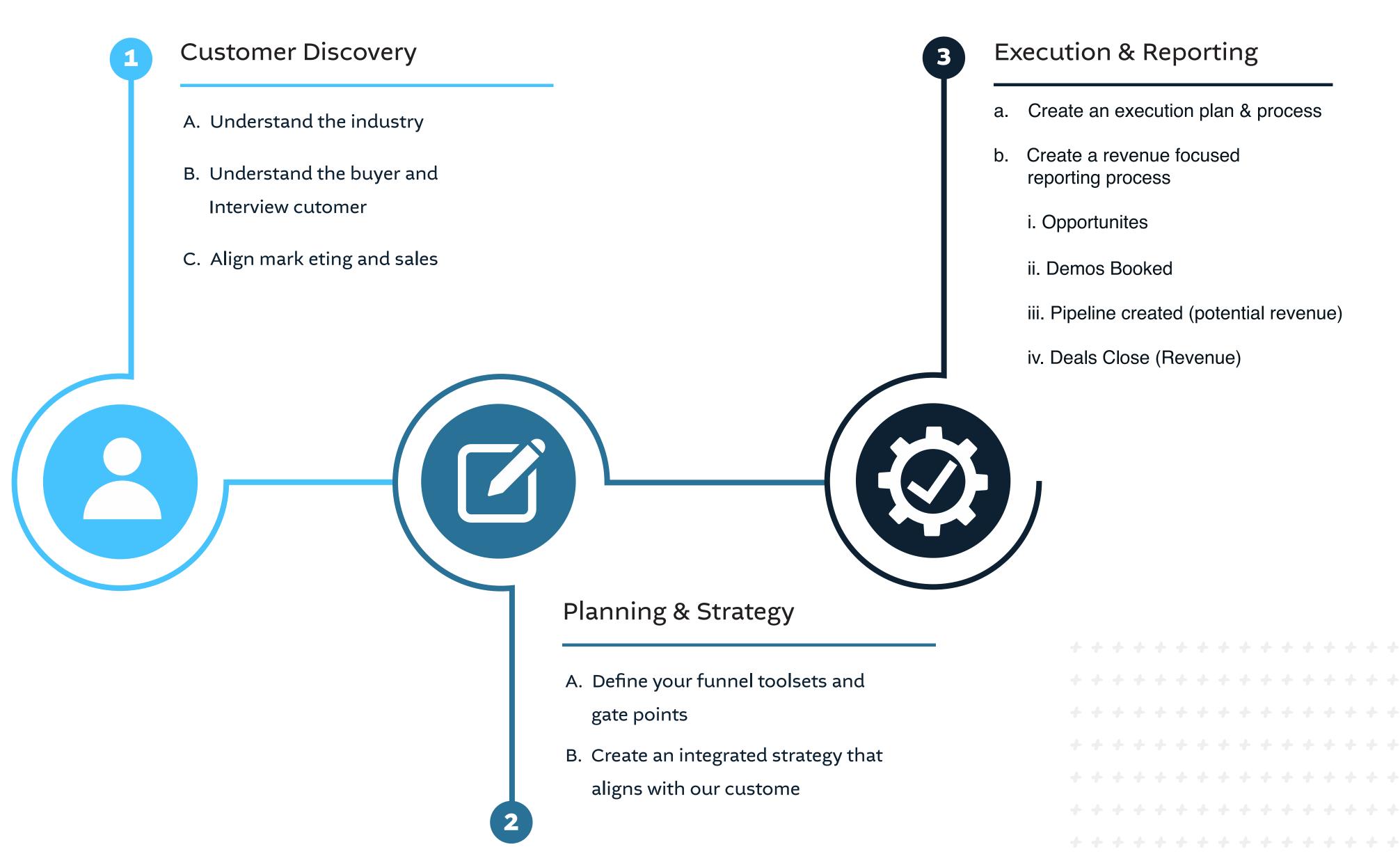
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A shift to revenue marketing strategy is not easy. It's vital that your organization is mature enough to understand its sales cycle and approach revenue with a longer horizon. Results will not be immediate at the KPI level, but with time, the results will shine as you look deeper in the funnel at opportunities and sales revenue.

The Revenue Marketing Framework



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Warning: Revenue Marketing is Less Sexy

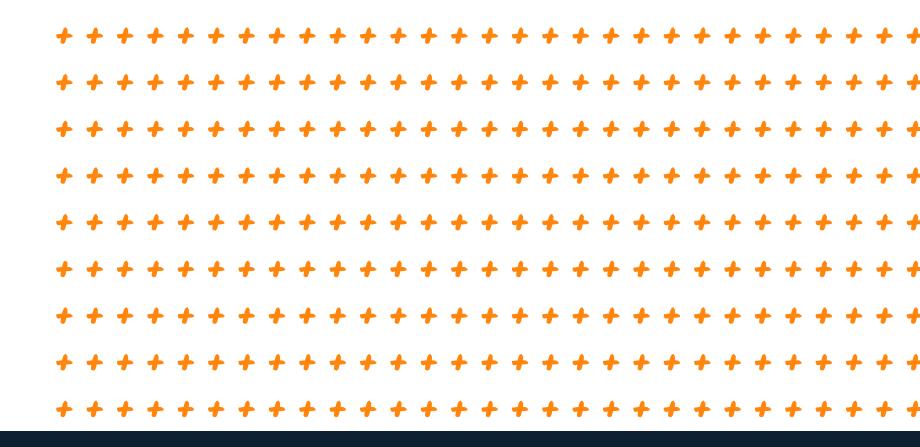
Today's self-directed B2B buyers don't follow a straight path to making a purchase. Deals are closed when they're ready for your solution, not when you tell them to buy. This creates an attribution data gap in which we can no longer clearly attribute deals to a single action. Marketers (and management) hate to accept this, but our goal is top-of-mind solution awareness and brand affinity over transactional purchasing. Revenue marketing is not sexy.

Attribution is messy: The goal of marketing becomes solution education and brand affinity. When a prospect reaches a pain point, we want them to recall our solution, go to Google, enter our company name, pay the Google toll (yeah we said it), then request a demo. This individual may have had Slack conversations, seen Instagram ads, read about us on TechCrunch, maybe downloaded an ebook, then converted on Google Ads, just to name a few. The solution-based marketing "system" converted the customer, not the final click from the Google search ad or the ebook. Who gets attribution here? Does it matter?

Brand keywords increase: Increase in brand search simply means marketing is working. There is more brand affinity and solution awareness. The outcome will be a lot of SQOs with messy attribution. We need to be okay with this.

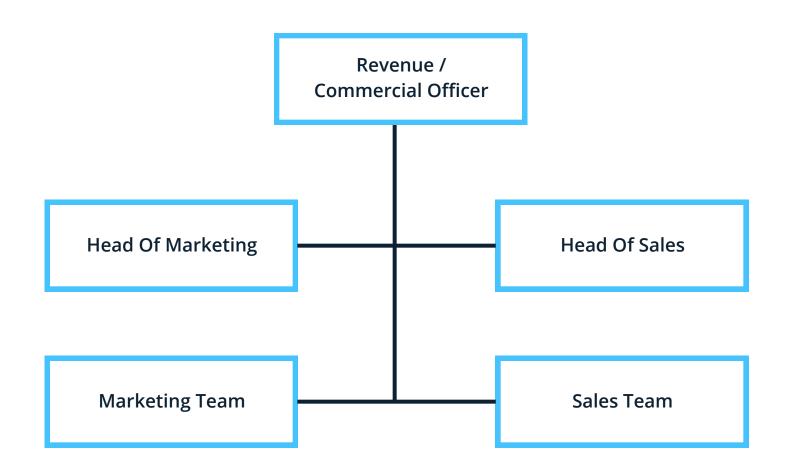
Traditional reporting won't work: Traditional reporting begins to break apart and revenue metrics such as SQLs, demos booked, and SQOs begin to take focus. Traditional KPIs such as lead volume are deprecated for marketing optimization (which does matter), but are no longer the main focus of marketing efforts.

Teamwork is non-negotiable: Both teams need to be truly aligned and integrated while balancing individual responsibilities. This requires commitment and accountability from leadership.



A Vision for a Revenue-focused **Organizational Chart**

As a digital marketing agency partnering with a variety of B2B companies, we have broad first hand experience with what works and what doesn't. The result is a vision for how to structure your team in a way that enables marketing and sales to collaborate in harmony.



Leaders and team members should continuously communicate, share learnings, and even learn one another's roles. We are already starting to see SDRs bounce between departments.

Equal influence and ownership between sales and marketing Both departments should have an equal voice and responsibility, ideally reporting to the same leader. This means that there will be no finger pointing.

It is critical that there is one leader whose main objective is revenue growth. This leader should exhibit balance and work with both sales and marketing to find solutions that grow revenue. This is often a CRO (Chief Revenue Office) or a VP of Commercial



We believe that a few organizational fundamentals are vital to making "Revenue Marketing" successful at any company:

Collaboration and cross-training

A sole leader who owns responsibility for revenue

The Future is Customer Centric

It's time for marketing to reach beyond just converting traffic at high rates. Instead, we need to work to better understand the real reason people buy, and position the solution to be trusted and understood at that critical point.

At a tactical level, revenue marketing will naturally shift to full funnel as it aims to engage and build trust throughout all stages of the buyer's journey. Overused tactics like gated ebooks (which are leads that your sales team doesn't want) will become ungated for more reach and more sharing. Content will stop chasing bottom of funnel search terms, but instead focus on education and value creation. Social content and social ads will become more customer centric. These are just a few examples of how a shift in focus onto the customer (and reporting on true growth metrics) will also shift marketing to actions that penetrate prospects deeper, instead of just collecting another email address. At OM, our focus is solution-based marketing and revenue operations. We report on and target revenue KPIs over leads. We believe that marketers need to be held accountable for revenue growth. This ultimately leads to a better, customer-focused approach and a clearer view of what it means to be a high-performing marketer.



About OM Performance Marketers

At OM, our core expertise is data-driven lead generation for healthcare solutions and enterprise software. We have a proven process and an execution-focused team of strategists that are able to roll out an effective inbound foundation tailored to your organization.

For organizations that are committed to winning in the new reality of healthcare sales, we encourage you to set up a discovery consultation with our Head of Growth. See for yourself how we continually help high-performing organizations achieve measurable growth.

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