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# B2B Lead Management Automation Market Overview

by Laura Ramos

for Technology Product Management & Marketing Professionals



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## B2B Lead Management Automation Market Overview

Multiple Vendor Choices And Confusing Claims Slow Adoption

by **Laura Ramos**

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### EXECUTIVE SUMMARY

Lead management automation (LMA) requires a degree of process maturity many business-to-business (B2B) firms don't possess, resulting in underachievement by vendors and users alike. Yet, the benefits of adopting LMA are clear: B2B marketers that successfully carry out lead management practices enjoy more predictable conversions, faster sales cycles, and real alignment between marketing activity and sales results. While leading vendors like Eloqua, Marketo, and Silverpop drive results through improved marketing and sales productivity, no technology supplier is yet in a breakaway position. As the market strives to reach maturity, B2B marketers should pick partners that can help mature their processes, as well as come up with innovation and easy-to-use features.

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Forrester interviewed 18 vendor companies providing marketing automation and/or services, including Aprimo, Eloqua, Marketo, Silverpop, salesforce.com, and Unica, as well as a number of users of this technology.

#### Related Research Documents

["How To Avoid B2B Marketing Obsolescence"](#)  
January 15, 2009

["The Forrester Wave™: Enterprise Marketing Platforms, Q1 2008"](#)  
January 17, 2008

["Improving B2B Lead Management"](#)  
October 4, 2006

## B2B MARKETERS TURN TO LEAD MANAGEMENT AUTOMATION

Amid broader marketing tactical choices and budget pressure, B2B marketers face an uphill battle to keep the sales pipeline primed with qualified demand. Long sales cycles and complex purchase decision-making challenge B2B marketers to find the most qualified prospects and to build relationships long before the first sales call. In this environment, automation is essential to achieving a high level of demand generation maturity, and many marketers turn to lead management automation (LMA) providers to meet this need.

Forrester defines lead management automation as:

*Tooling and process that help generate new business opportunities, manage volumes of business inquiries, improve potential buyers' propensity to purchase, and increase alignment between marketing activity and sales results.*

Increasingly, lead management processes have become technology focused. Centered on campaign and resource management, mainstream marketing automation has helped marketers define, design, and execute outbound communications.<sup>1</sup> While these tools are best suited for high-volume direct marketing shops focused on direct mail, email, and telemarketing, they may not fully address the issues encountered when selling through a direct sales force or channel partners. Besides campaign management features, B2B marketers need capability focused on capturing demand and qualifying it for sales (see Figure 1).<sup>2</sup> This includes:

- **Lead capture, profiling, and scoring.** To manage campaign responses and inbound inquiries, B2B marketers need technology that helps them assess, score, and separate the most promising leads from the rest. Because B2B buying cycles can last three to 12 months or longer, lead scoring features must identify key prospects, manage profiles continuously, include behavioral factors as well as explicit facts in the score, and modify scores automatically over time.
- **Dialog tools that nurture leads not ready to purchase.** B2B buyers begin investigating potential business purchases earlier than consumers do. Thus, the majority of the responses that business marketers receive to offers they make don't result in a sale short term. To help build two-way conversation with prospects, marketers must show they understand buyer needs and have an interest in establishing a lasting relationship; marketers need tools that automate prospect communications and incubate leads not yet ready to buy.
- **Process that aligns marketing activity with sales results.** Bickering between sales and marketing over lead quality and sales' responsiveness to marketing-generated demand ends when firms implement LMA technology. Routing, monitoring, and reporting features let marketers demonstrate the team's impact on sales pipelines and show how marketing activity makes the sales process more efficient. Thirty-five percent of firms receiving a high rating in our earlier survey said that sales close 10% or more of the leads that marketing generates and qualifies — far above the 4% average reported by companies with less mature LMA capability.<sup>3</sup>

**Figure 1** Lead Management Automation Solution Definition

Campaign design	Lets marketers build B2B segmentations; create and refine lists from the customer database; and design campaign elements like email templates, Web forms, and landing pages suited for high-consideration sales. Sets up reports and dashboards, integrates with marketing database providers, and tests offers.
Campaign management	Workflow-based approach to campaign execution: email execution, sales email templates, etc. Manages offers, links to and reuses content, tracks and manages budgets, maintains calendar, tracks milestones, and refines segmentation/buyer profiles.
Lead capture, scoring	Uses a quantitative approach to capture and score respondent data based on criteria including explicit facts, implicit information, BANT, behavioral activity, account identification rules, etc. Includes data validation and management capability.
Lead routing, SFA support	Ability to route scored leads to sales through multiple clients (SFA, Microsoft Outlook, mobile, Web, etc.), monitor sales acceptance, and re-route or escalate based on preset or custom rules. Includes quality of integration with SFA system and workflow.
Lead nurturing	Build time or event-triggered communication that advances buyers through early-stage funnel. Includes drip marketing through complex, multistep nurturing flows based on activity or rules, auto-responders, inactivity clawback, sales-initiated events, follow-up communications, etc.
Reporting/measuring	Reports, charts, and dashboards that allow marketers to monitor lead activity, track sales acceptance, measure campaign statistics, calculate returns, and report on activities. Tracks lead activity by source, campaign, account, etc.
Integration	Proven integration with and into incumbent marketing automation and sales technologies, including CRM providers; sales automation; email marketing; search marketing tools; Web analytics; content management; and emerging social media channels like Facebook, LinkedIn, Twitter, YouTube, etc.
Market presence	Assessment of brand visibility and perception in this market. Customers, partners, influencers, and competitors name this brand. Reference customers include globally recognized brands. Perceived buzz.
Scalability	Demonstrates ability to scale to very large databases without degradation in service levels. Manages multiple campaigns across departments, product lines, geographies, and verticals.
Viability	Assessment of vendor's long-term longevity in this market based on size, revenues, funding/cash positions, size of installed base, etc.
Total cost of ownership (TCO)	Perceived costs to acquire/subscribe to solution, implement it, execute a successful series of campaigns, and manage customer data.

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Source: Forrester Research, Inc.

### LMA Solutions Upgrade B2B Demand Generation

About five years ago, a few small companies carved out an LMA beachhead in the marketing automation space to help B2B marketers better manage inquiries. Offering a combination of campaign design, execution, lead qualification, nurturing, and sales process alignment, today's offerings come from a growing number of providers and help technology marketing professionals to better:

- **Tune the marketing mix and deliver quantifiable ROI.** After implementing an LMA solution, a small software supplier delivered four times as many Webinars, at the same cost, by packaging introductory materials, invitations to register, and follow-up communication in an online nurturing program. Regional sales teams carried out these events independently and boosted attendance by more than 30%. Automated scoring — based on offer responses and attendee behavior — let marketing determine which participants represent the hottest leads while cutting follow-up costs and keeping less involved prospects warm.
- **Scale sales.** A Midwestern industrial products manufacturer increased opportunity-to-close rates by more than 15% after completing a merger that required a significant reduction in its combined sales workforce. The LMA technology helped marketing to develop fewer — but more highly qualified — leads that kept the scaled-back sales team working active opportunities instead of cold calling or sifting through piles of undifferentiated campaign responses.
- **Avoid getting pigeonholed as the fluffy, creative folks.** Without a direct, visible connection between marketing programs and sales impact, B2B marketers risk becoming the make-it-pretty department. Marketers at a large North American telecommunications provider escaped this stigma when they implemented a new LMA solution that allows them to track in great detail, with sales peers from the pilot team, the progress of campaign responses through marketing qualification, sales acceptance, and forecasted pipeline. Sales VPs from other divisions were soon looking over shoulders — and asking when they would get this — as lead scoring and tracking connected the dots between marketing campaigns and pipeline health.

### LIMITED EXPERIENCE AND CONFUSING VENDOR CLAIMS SLOW ADOPTION

The clear benefits of lead management automation should send B2B marketers flocking to purchase it. However, when Forrester reviewed a number of vendors in LMA, we realized we were looking at an underachieving space. Market penetration to date is low — we estimate that currently between 2% and 5% of B2B firms have invested in full-featured LMA functionality — and we found vendors here make a majority of sales to small firms with less than \$25 million in annual revenue (see Figure 2).<sup>4</sup> We believe these findings show a market struggling to mature, held back by four main factors:

- **Heated competition battling to grab share.** The current recession makes plumping the sales pipeline essential. Software and services vendors from various backgrounds now elbow their way into the LMA space to snatch a share of this demand. Complementary technology offerings dwarf the LMA space and give incumbents — like Oracle and salesforce.com (customer relationship management [CRM]/sales force automation [SFA]), ExactTarget and Responsys (email services), Equifax and Harte-Hanks (database marketing services), Ominture (online analytics), and iProspect and Reprise Media (search marketing services) — an established installed base in which to target lead generation messages and test new LMA offerings (see Figure 3). This makes it difficult for emergent competitors to grow beyond their foothold in departmental or SMB installations when buyers believe they already get what is offered from a current vendor.
- **Low entry barriers create a cacophony of claims similar in name only.** The continuous flow of new entrants — whether start-ups (LeadLife Solutions), crossovers from lead qualifying/sales 2.0 (Genius.com) or Web content management (Sitecore), or large vendors from adjacent spaces — shows that it is fairly easy to develop LMA features, or simply revise marketing messages, to jump into this space. Complicating the picture, a host of emerging technology and service providers offer to take lead generation beyond list building and appointment setting with products and services aimed at making sales activity more productive (examples include Demandbase, Green Leads, Jigsaw Data, ReachForce, and ZoomInfo). To make matters worse, Eloqua, Silverpop, and Marketo all announced sales enablement capability within the past year that helps reps trace buyers' digital footsteps, while Genius.com introduced lead management capability targeting enterprise deals outside of sales.<sup>5</sup> The result? Few functional obstacles and a burgeoning supply of service providers create a plethora of similar-sounding, but confusing, claims that keep B2B buyers running from demo to demo and scratching their heads over which offering will best meet their needs.
- **A standard marketing platform has yet to emerge.** Forrester continues to track enterprise marketing technology adoption and to share marketers' concerns that a comprehensive marketing suite has yet to emerge.<sup>6</sup> The need to strike a balance between solutions that support sales activity and drive demand — while also generating net new business and maintaining existing customer relationships — amplifies this problem (see Figure 4-1). To fill the whitespace, vendors redraw the lines around their offerings, but — outside of initial investment in CRM, database marketing services (list building), and marketing content management — a profusion of choices makes settling on a single technology base almost impossible (see Figure 4-2).

- **Thin best practice experiences encourage buyers to pursue silver bullets.** B2B marketers who automate lead management enjoy tangible benefits and returns.<sup>7</sup> However, more than five years after this market's outset, marketers continue to struggle to automate processes that don't yet exist as disciplined, repeatable procedures. Instead of best practices and change management, cost becomes the defining issue as corporate and product marketers mishandle building business cases for technology investments outside of marketing programs spend. This forces vendors to compete primarily on price — and accelerate margin erosion — instead of investing in buyer education and substantiating investment returns.

**Figure 2** Lead Management Automation Vendors We Reviewed

Vendor	Product	2008 revenue	Customers*		
			Number of active	% over \$1B	% less than \$25M
Aprimo	Aprimo Enterprise	>\$55M	>180	70%	10%
Eloqua	Eloqua Conversion Suite	>\$30M	>600	9%	36%
eTrigue	eTrigue Intelligent Demand Generation	<\$5M	>50	30%	35%
Genius.com	Genius Enterprise	<\$5M	>500 <sup>†</sup>	10%	20%
HubSpot	HubSpot Marketer	<\$5M	>1,600 <sup>‡</sup>	0%	90%
LeadLife Solutions	LeadLife Lead Management Software	<\$5M	>50	20%	20%
Leads360	LeadManager	<\$5M	>3,000	15%	50%
Loopfuse	Loopfuse OneView	<\$5M	>50 <sup>§</sup>	5%	75%
Manticore Technology	Manticore Technology Enterprise Edition	<\$5M	>85	0%	40%
Market2Lead	Market2Lead Enterprise	<\$5M	>70	20%	20%
Marketbright	Marketbright Enterprise	<\$5M	>70	10%	10%
Marketo	Marketo Lead Management/Sales Insight	<\$5M	>240	5%	82%
Neolane	Lead Management Optimization	>\$20M	>180	20%	2%
Pardot	Pardot Prospect Insight	<\$5M	>130	0%	80%
salesforce.com	Salesforce CRM Sales/Marketing**	>\$1B	>59,000 <sup>††</sup>	33%	33%
Silverpop	Silverpop Engage B2B	>\$50M <sup>‡</sup>	>300	5%	20%
Sitecore	Sitecore CMS and Online Marketing Suite	>\$15M	>1,600 <sup>‡‡</sup>	45%	25%
Unica	Unica Enterprise**	>\$120M	>800 <sup>§§</sup>	75%	5%

\*As of August 1, 2009

<sup>†</sup>Total customers: Forrester estimates <15% use Genius Enterprise.

<sup>‡</sup>Forrester estimates half of customers use Marketer and half use Owner.

<sup>§</sup>Not disclosed; Forrester estimate

<sup>\*\*</sup>Review focused on lead management automation aspects of this product family.

<sup>††</sup>Total customers: Forrester estimates a quarter of customers use Engage B2B.

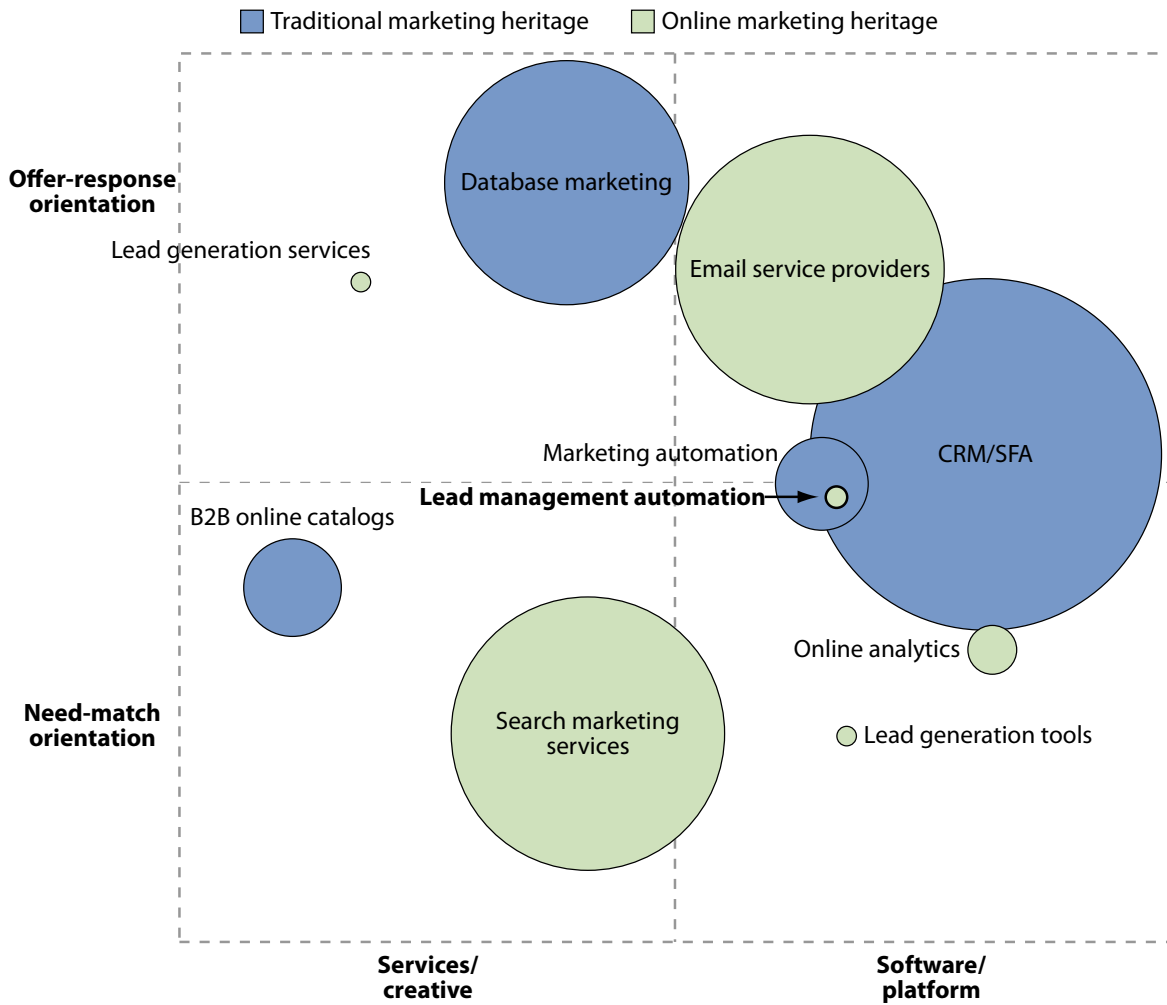
<sup>‡‡</sup>Total CMS customers: Forrester estimates <10% use Online Marketing Suite.

<sup>§§</sup>Total enterprise customers: Forrester estimates <13% use lead management.

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Source: Forrester Research, Inc.

**Figure 3** LMA Vendors Come From Different Markets

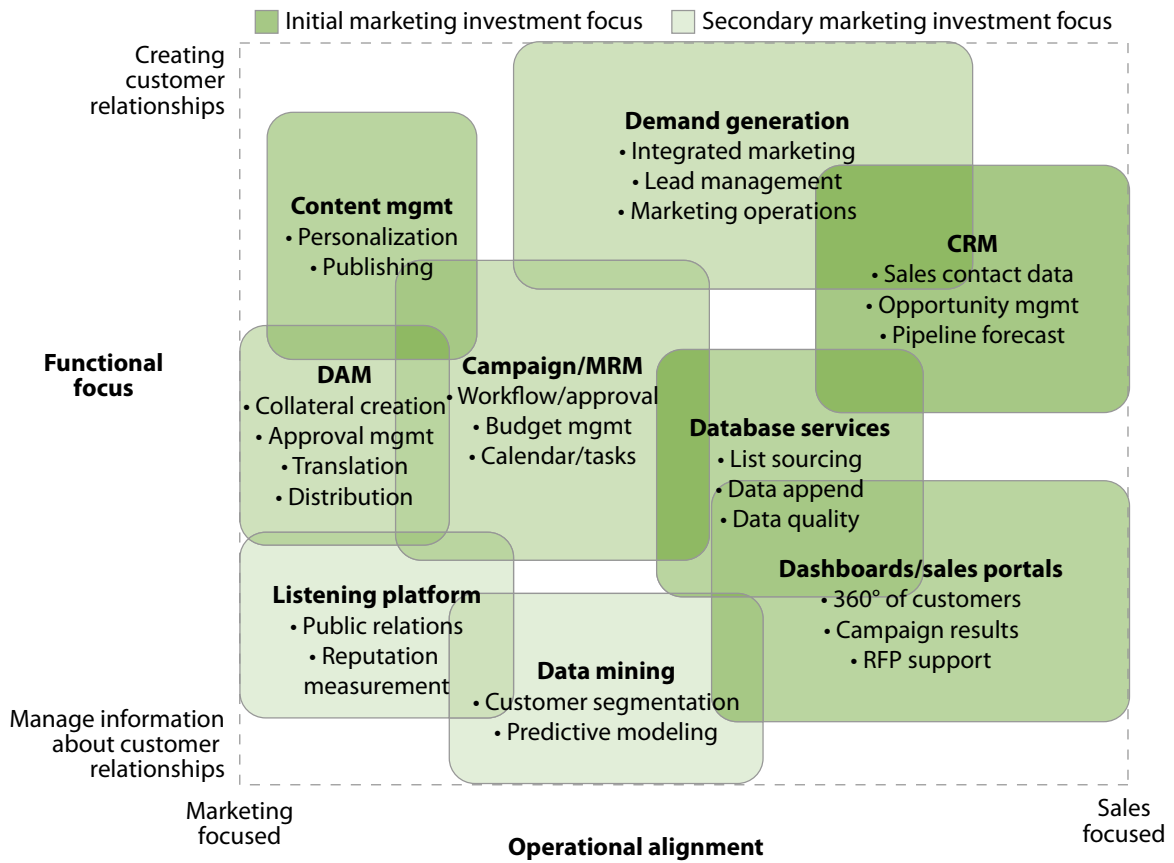


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Source: Forrester Research, Inc.

**Figure 4** Marketing Automation Has Yet To Consolidate

**4-1 Technologies support different B2B marketing needs**

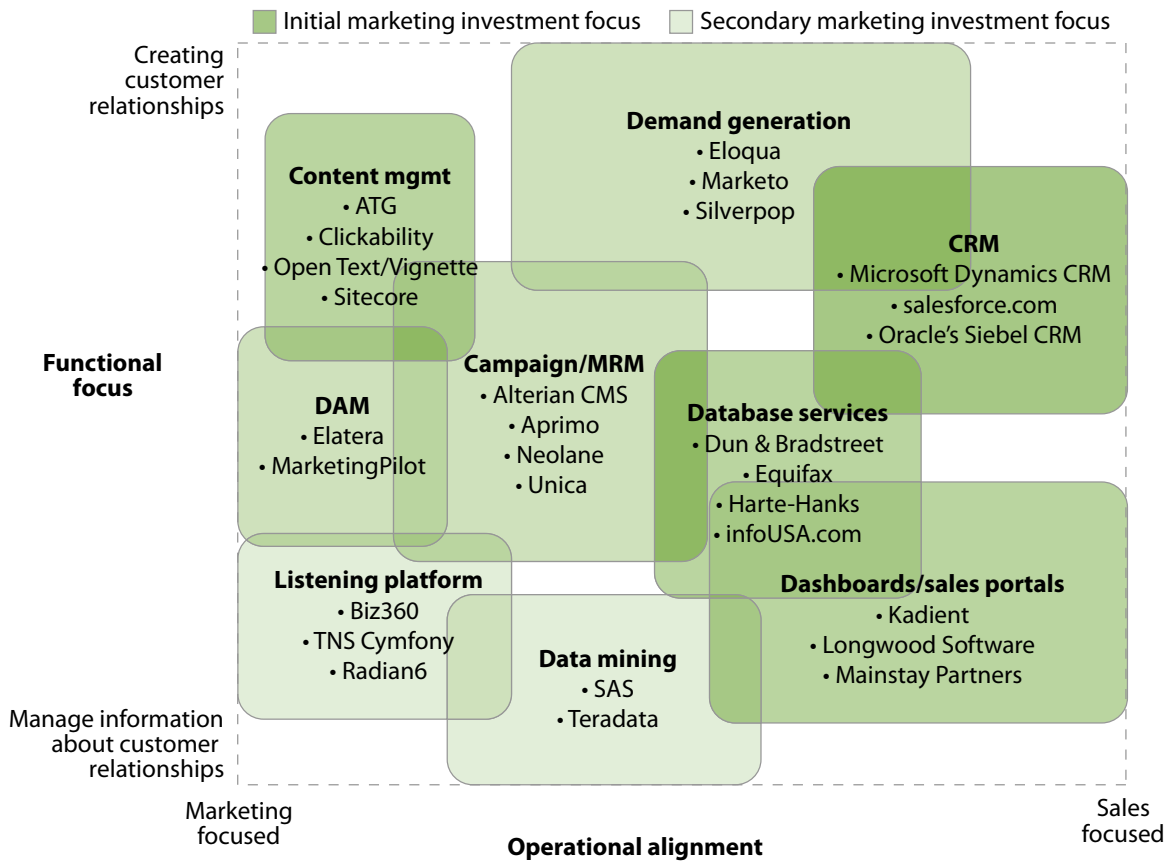


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Source: Forrester Research, Inc.

**Figure 4** Marketing Automation Has Yet To Consolidate (Cont.)

**4-2 Vendors highlight strengths to grab B2B attention\***



\* Vendors are representative of the markets; this list is not exhaustive.

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Source: Forrester Research, Inc.

**MANY VENDORS VIE TO WIN THE LEAD MANAGEMENT POLE POSITION**

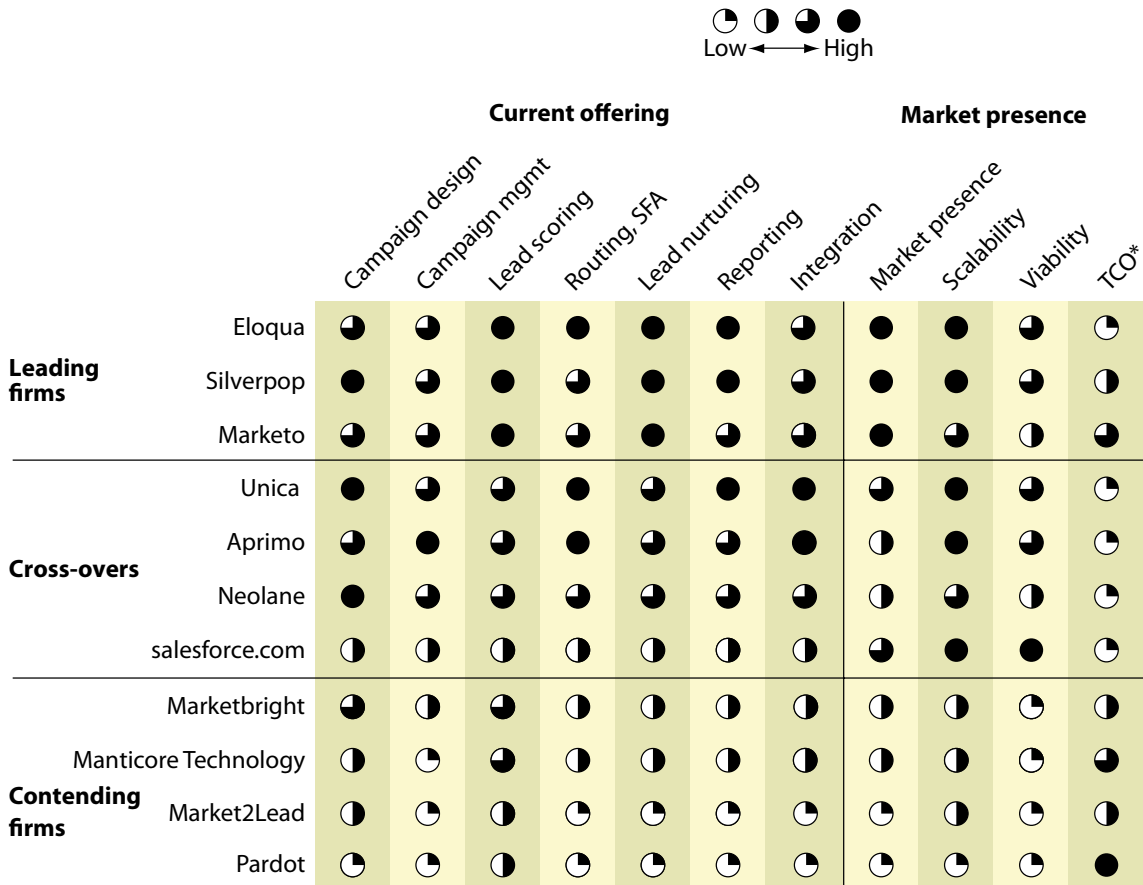
Picking the solution best positioned to deliver on lead management automation's promise of stronger pipelines and more predictable marketing results frustrates B2B marketers at large and small firms alike. The 800-pound gorillas in this market lack track records with their current LMA feature sets, and the leading players, with the exception of Eloqua, have yet to top the \$25 million dollar mark in annual revenues. As the jockeying for LMA leadership intensifies, Forrester lined up the 18 most promising vendors and compared capabilities to help B2B marketers sort through the options (see Figure 5).<sup>8</sup>

### Pure-Play Vendors Lead Because Of Proven Track Records

For B2B marketers moving up from email and sales automation applications, vendor choices narrow quickly to Eloqua, Silverpop, and Marketo. All offer software-as-a-service (SaaS) marketing automation capable of sophisticated lead scoring, complex prospect profiling, and multistep nurturing campaigns. Yet the relatively small size of each of these vendors means that none command substantial market share, keeping the market open for new entrants and firms crossing over from adjacent spaces.

- **Eloqua leads in market presence and installed base sophistication.** Recognized as the inventor of the LMA category, Eloqua has the longest tenure and most impressive customer list among pure-plays. Full-on rich features, Eloqua maintains the preeminent position as the high-value, high-price solution in this group. However, its products are hampered by a user interface needing a remodel that leaves the door open for other firms to challenge Eloqua's position. B2B marketers at medium size to enterprise firms with complex prospect profiling and qualification requirements and multistep, event-driven nurturing needs and that want help with marketing process re-engineering should put Eloqua on the top of their list.
- **Marketo's ease-of-use gains market and mindshare.** Sporting a simple but elegant user interface and touting single-click implementation, Marketo has captured the hearts and minds of many marketers in small to medium-size businesses (SMBs) with a lower-priced, salesforce.com-centric application. As the up-and-coming challenger to Eloqua, Marketo will need to show that it can scale — in feature support, integration track record outside of salesforce.com, and professional services — to capture the top spot. With a handful of recent \$1 billion-plus wins, Marketo delivers sophisticated lead scoring, nurturing, and behavior/value profiling capability that will increase its appeal to larger Global 2000 accounts as it expands from its roots serving SMB firms.
- **Silverpop combines sophisticated campaign design with email automation.** Since acquiring Vtrenz more than two years ago, Silverpop has kept a low profile. Sporting new graphical campaign design tools based on a unique storyboard metaphor, Forrester expects Silverpop to ramp up its marketing and establish a greater presence during the next 12 months. With a loyal, dedicated customer base — and a host of legacy email marketers to draw upon — Silverpop is best positioned to build social community and to attract like-minded marketing professionals ready to share tips, tricks, and best practices online.

**Figure 5** Similar Features Make Claims Difficult To Distinguish



\*High scores indicate a less expensive total cost of ownership.

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Source: Forrester Research, Inc.

### Marketing And Sales Automation Incumbents Begin To Muscle In

The growing demand for lead management automation is not lost on marketing automation incumbents Aprimo, Unica, and upstart Neolane. Nor is it overlooked by the on-demand sales automation giant, salesforce.com. While LMA capabilities offered by this group are not as robust as those from the pure-play vendors mentioned previously, this group leads in areas like program design, campaign management, scalability, and viability. To win in this market, these incumbents must keep their current installed bases from implementing separate LMA solutions while they strengthen LMA offerings.

- **Unica leans on B2C campaign management roots.** Long recognized by Forrester as the leader in campaign planning and management ideally suited for business-to-consumer (B2C) applications, Unica can bring a broad range of capabilities to the table that the very largest B2B firms will fully utilize.<sup>9</sup> Having only recently introduced an on-demand version to broaden its deployment options, Unica has struggled to build, integrate, or rationalize features — including those from acquisitions Marketic and MarketSoft — into its Unica Lead Management offering. Now, with a few marquee high-tech brands recently on board, Unica needs to continue to revitalize LMA user interfaces, integrate the overall user experience, and step up its B2B thought leadership to show why features like asset, interaction, resource management, contact optimization, and predictive analytics matter in highly considered sales. Marketers at large firms with both B2B and B2C requirements will turn to Unica but may trade off LMA features against strengths in campaign planning and execution capability in doing so.
- **Aprimo points to single-platform technology strengths.** Best known for its leadership in the marketing resource management (MRM) segment, Aprimo has made across-the-board improvements to campaign management, application usability, and overall product strategy that, among the incumbents, put it in the best position to capture B2B market share. Planning to extend its on-demand offerings later this year to round out a range of hosted, on-premise, and hybrid deployment options it shares with Unica and Neolane, Aprimo's challenge will be to use its legacy strength and single-platform architecture to help B2B marketers demonstrate the value of early campaign planning and the return on investment (ROI) that comes with careful resource management, especially during tough economic times.
- **Today, salesforce.com offers broad, but shallow, marketing capability.** The majority of LMA firms lead with an integrated salesforce.com experience (bidirectional data exchange and user interface integration are almost uniformly standard) and highlight AppExchange partnerships. As salesforce.com fills in features around the edges of its current LMA capability — that includes content libraries, ad-word management, and idea solicitation — it is easy to speculate whether it will acquire a small vendor or build separate LMA capability from scratch. Either way, salesforce.com stands as a major threat to disrupting this market with its huge installed base, particularly if it sets its sights on building social community.
- **Neolane targets large enterprises in its move to North America.** After establishing a beachhead in Europe, Neolane set its sights across the pond more than a year ago and began to challenge Unica and Aprimo in their own backyards. Targeting the 15,000 firms in the \$100 million to \$2.5 billion revenue range, Neolane combines campaign management, MRM, customer data management, and analytics into a single platform with an attractive, rich user experience. Not inexpensive, Neolane must challenge Eloqua's leadership position without cutting prices or scaring off frazzled marketers looking for a fast fix to their demand management problems.

Contending companies litter the landscape. Outside the strongly performing companies mentioned earlier, the lead management automation market is littered with small, emerging vendors. Standouts in this group are Marketbright, Manticore Technology, Market2Lead, and Pardot — firms that Forrester sees receive multiple competitive mentions or client inquiries in our research (see Figure 6-1). Each can also check off a reasonable set of features and capabilities but have yet to establish a strong market presence. B2B marketers looking for marketing automation vendors willing to go the extra mile should examine this group before settling on a shortlist of candidates.

New entrants enter this market from multiple directions. As lead management capability expands into lead generation and sales enablement, new groups of vendors pop up. A sampling of the small vendors in this space show relatively different strengths and legacies (see Figure 6-2). However, gaps in lead scoring, profiling, nurturing, sales automation support, as well as less time-in-grade should make marketers more selective when considering firms outside the central lead management automation space.

**Figure 6** Emerging Vendors Clutter Lead Management Technology Space

**6-1 Several small vendors offer alternative LMA choices**

Vendor	Unique capability or claim	Best suited for
Manticore Technology	Broad range of features (including drag-and-drop nurture campaign design, continuous prospect profiling, and multidimensional scoring) and low ownership cost make for attractive mid-to-low market offering.	Small and medium firms with limited automation budgets that need to keep on top of changes in lead scores
Market2Lead	Dynamic Web forms help build rich customer profiles with automated routing to different queues for email, telesales, partners, etc., according to profile thresholds.	Medium-size or slightly larger firms with more sophisticated needs for customer data capture, analysis, and reporting
Marketbright	To enhance qualification and nurturing, product creates a “my account” link that lets prospects customize their experience and marketers deliver content according to prospect’s specifications.	Marketers needing full LMA features and a rich prospect experience for information delivery as part of qualification process
Pardot	Offers unlimited use of features and seats/records at a low monthly price.	Small firms with minimum IT support looking for a fast, easy way to get into lead management automation

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Source: Forrester Research, Inc.

**Figure 6** Emerging Vendors Clutter Lead Management Technology Space (Cont.)

<b>6-2 Emerging providers offer additional capabilities</b>		
<b>Vendor</b>	<b>Unique capability or claim</b>	<b>Best suited for</b>
eTrigue	Real-time alerts for sales, lead scoring, and segmentation/list building capability without the need for dedicated headcount to manage outbound or nurturing campaigns	Microsoft Dynamics, salesforce.com, or standalone users looking for rich scoring, nurturing, and profiling capability at lower cost of ownership
Genius.com	Sales Tracker provides real-time alerts to sales reps when prospects visit Web site, with ability to play back visit details that boost sales productivity by uncovering buyer intent and interest.	Small to medium-size firms needing to align sales and marketing through lead qualification and nurturing at a reasonable cost
HubSpot	Grades lead quality based on Web site visits, sources, form information, and search terms using learning algorithm that improves with time as increases in activity add more data to prospect profile	Small to very small firms spending majority of marketing budget/time on Web, content syndication, and search marketing tactics
LeadLife Solutions	Simple but sophisticated user experience — based on Web services standards and architecture — at low, monthly cost with no set-up charges.	Small firms looking for an alternative to Pardot
Leads360	Primary focus on financial services industry; lead distribution engine capable of scoring and routing based on sophisticated rules including physical agent location, channel, time of day, etc.	Firms with multiple channels including agents, brokers, call centers, etc., that need escalation, round-robin, and rerouting
Loopfuse	Building off of open source roots to offer sophisticated pipeline lead analysis and lead scoring based on weighted criteria and pattern matching.	Firms where lead qualification criteria are unknown or evolving and marketers need automation to help assess what makes for a good lead
Sitecore	Blends Web content management, analytics and marketing automation to reduce complexity of deploying Web sites that execute campaigns, generate leads, and profile/score them.	B2B marketers that need to marry sophisticated Web campaign management with lead management automation

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Source: Forrester Research, Inc.

## RECOMMENDATIONS

### FOCUS ON USABILITY AND EXPERTISE TO NAVIGATE LMA OFFERINGS TODAY

As features offered in this market coalesce around a comprehensive marketing suite, B2B marketers will find it increasingly difficult to separate fact from fiction among vendor claims. To keep early lead management efforts from running aground, marketers should look for capability that strikes a balance between ease of use and proven implementation. Marketers investing in lead management automation should start with these three steps:

- **Assess your lead management maturity.** With the pressure to generate net new business increasing, marketers must resist the temptation to buy technology and map out current lead management processes and assess gaps first.<sup>10</sup> For example, marketers currently broadcasting sequential email campaigns may not be ready to develop complex, multistep nurturing communications unless marketing and sales come to an agreement about which factors define truly qualified leads. Because no two firms' market conditions, competition, target customers, and offerings are the same, assessing and documenting lead management processes let marketers focus on the features and capabilities they need most from vendor offerings.
- **Create a marketing technology strategy.** Lead management is a strategic initiative because it affects both marketing and sales. B2B marketers must create an automation blueprint that accounts for the business, process, organizational, and technology changes needed to deliver better-qualified demand to sales and close the loop between marketing campaigns and sales wins.<sup>11</sup> However, marketing can't do this alone and must partner with internal partners in IT, support, and business lines, as well as external technology partners and sales counterparts, to find the right solution that combines strong business acumen with technical expertise.
- **Prioritize expertise over usability and simplicity.** While speedy implementation and attractive user interfaces are important, B2B marketers must also select automation solutions that will capture and evolve best practices over time. This means picking solutions backed by proven vendor expertise, a vibrant community of marketing peers, and demonstrated know-how needed to solve complex issues related to campaign execution, results diagnosis, and audience segmentation.

## WHAT IT MEANS

## THE LMA MARKET MUST CONVERGE TO ELEVATE BEST PRACTICES

While vendor and claim clutter cause technology adoption to progress at a sluggish pace, failure to establish accepted practices that turn lead management art into science poses a greater threat to this market's maturity. Future convergence requires fewer vendors to remain but also disparate offerings to come together to form a comprehensive marketing suite. To weather this time of change and evolution, B2B marketers must prepare for three possible scenarios, two of which could drive much needed market consolidation.

- **Large marketing and sales automation incumbents snatch up smaller players.** In this scenario, salesforce.com decides to sacrifice its relationship with its LMA AppExchange partners and enters the market by acquiring one of the emerging or pure-play firms. Marketers with investments elsewhere will need to understand salesforce.com's road map for integration with the acquired firm to decide whether to abandon current investments sooner rather than later. This scenario leaves room for LMA vendors that integrate with sales, marketing, and Web automation platforms outside of the salesforce.com ecosystem, but not much more.
- **Web content and analytics shift the focus from outbound offers to inbound interaction.** As B2B marketing embraces digital channels, the corporate Web site will become the centerpiece for marketing programs.<sup>12</sup> The move from transactional campaigns — with a specific beginning and end — to virtual ones that run continuously will put buyers in the driver's seat. It will also give the nod to Web content management and analytics vendors that may acquire pure plays to round out their technology footprints and marketing messages. Winners here will be in a better position to woo new buyers with messages, offerings, and success stories focused on demand management business problems, not just Web content management or analytic prattle.
- **Emerging sales 2.0 tools and lead generators keep LMA waters murky.** The final scenario keeps the market fragmented for a longer period as B2B buyers focus more on demand generation and sales enablement than maturing lead management. Tools that monitor online activity, match visitors against commercial databases, look up their firms and roles, and help sales proactively chase buyers across the Web take priority over technology that manages demand once it comes in the door. Expect social media hype and attention to fuel this scenario rather than vendor acquisition or mergers.

## SUPPLEMENTAL MATERIAL

### Companies Interviewed For This Document

Aprimo	Market2Lead
Eloqua	Marketbright
eTrigue	Marketo
Genius.com	Neolane
HubSpot	Pardot
LeadLife Solutions	salesforce.com
Leads360	Silverpop
Loopfuse	Sitecore
Manticore Technology	Unica

## ENDNOTES

- <sup>1</sup> Campaign management is one of the most mature marketing technologies. Forrester surveyed 224 direct and database marketers in 2008 and found more than 60% said that they use campaign management tools. They use these tools to build segmentations, create lists, and execute email, event-triggered, or multistep programs. Solutions today also optimize contact strategy, manage offer metadata, link and reuse content, track and manage marketing budgets, manage to a central calendar, and offer a workflow-based approach to campaign design. See the April 2, 2009, "[Campaign Management Needs A Reboot](#)" report.
- <sup>2</sup> B2B marketers who emphasize lead volume over lead quality reduce sales efficiency, increase campaign costs, and fuel the gap between sales and marketing. To generate qualified demand, marketers need technology and processes that capture lead quality information; validate, score, and classify leads; develop programs to nurture leads that don't yet warrant sales attention; and define metrics that directly identify marketing's contribution to the sales pipeline and closed deals. See the October 4, 2006, "[Improving B2B Lead Management](#)" report.
- <sup>3</sup> In our 2006 lead management benchmark study, firms with mature lead management processes closed a higher percentage of the leads that marketing generates. On average, 47% of B2B marketers say they close less than 4% of all marketing-generated leads or do not even track this metric. But the percentage of leads that result in a sale climbs steadily as firms mature — 35% of mature firms say they close 10% or more leads. See the November 30, 2006, "[How Mature Is B2B Lead Management?](#)" report.
- <sup>4</sup> Aprimo, salesforce.com, and Unica — as well as some of the other smaller firms — sell to many firms with revenues of more than US\$25 million, but the majority of these sales occur when selling technology and solutions outside the lead management automation space.

- <sup>5</sup> Further discussion of these sales enablement capabilities can be found at Laura Ramos' *B2B Marketing POSTs* blog: Laura Ramos, "New Sales Tools Increase Alignment Between Sales and Marketing," *B2B Marketing POSTs*, June 15, 2009 (<http://b2bmarketingpost.com/2009/06/15/new-sales-tools-increase-alignment-between-sales-and-marketing/>) and Laura Ramos, "B2B Marketing's Job #1: Sales Enablement," *B2B Marketing POSTs*, May 26, 2009 (<http://b2bmarketingpost.com/2009/05/26/b2b-marketing%e2%80%99s-job-1-sales-enablement/>).
- <sup>6</sup> To assess the state of the market, Forrester evaluated leading enterprise marketing platform vendors across 160 criteria and three scenarios. Our lab-based evaluation revealed that although the overall market is maturing, no vendor gets top marks across the board. See the January 17, 2008, "[The Forrester Wave™: Enterprise Marketing Platforms, Q1 2008](#)" report.
- <sup>7</sup> Used appropriately, marketing-specific technologies help improve lead management performance. In prior research, Forrester showed that 54% of the firms we identified with mature lead management practices employ specialized applications that help them manage, nurture, score, and route leads compared with only 15% of less mature firms. See the December 28, 2006, "[How Technology Improves Lead Management](#)" report.
- <sup>8</sup> This report looks at overall trends and issues in the evolving lead management automation space; it does not provide an in-depth comparison of all vendors in the space. To rate inclusion in the comparison table, vendors were required to demonstrate market tenure and penetration. We looked at firms with more than 50 customer accounts by August 1, 2009, more than five competitive mentions, products successfully sold for 12 months or longer, and product offerings that met the majority of our criteria. You can find additional discussion about the lead management marketing in blog posts published at *B2B Marketing POSTs* by Laura Ramos ([www.b2bmarketingpost.com](http://www.b2bmarketingpost.com)).
- <sup>9</sup> In 2008, Forrester evaluated leading enterprise marketing platform vendors. The analysis identified Unica as a Leader in marketing leadership and relationship marketing scenarios, although the overall market continues to mature and no vendor gets top marks across the board. See the January 17, 2008, "[The Forrester Wave™: Enterprise Marketing Platforms, Q1 2008](#)" report.
- <sup>10</sup> Forrester offers an assessment to help marketers benchmark lead management maturity and readiness. See the January 15, 2009, "[Four Ways To Grade Lead Management Maturity](#)" workbook.
- <sup>11</sup> Marketers want to focus their efforts on core marketing activities, not spend their time trying to integrate locally optimized and siloed applications. Making a lead management automation investment without a marketing technology strategy can lead B2B marketers unwittingly down this path. See the May 7, 2007, "[The Enterprise Marketing Software Landscape](#)" report.
- <sup>12</sup> Shifting to interactive tactics also lets B2B marketers establish new marketing disciplines required to address more Web-savvy and socially connected buyers. See the April 24, 2009, "[The Down Economy Pushes B2B Digital Tactics Ahead](#)" report.

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