

Demand Generation Pyramid

Analyzing dimensions of future competitiveness and comprehensive review of vendor offerings



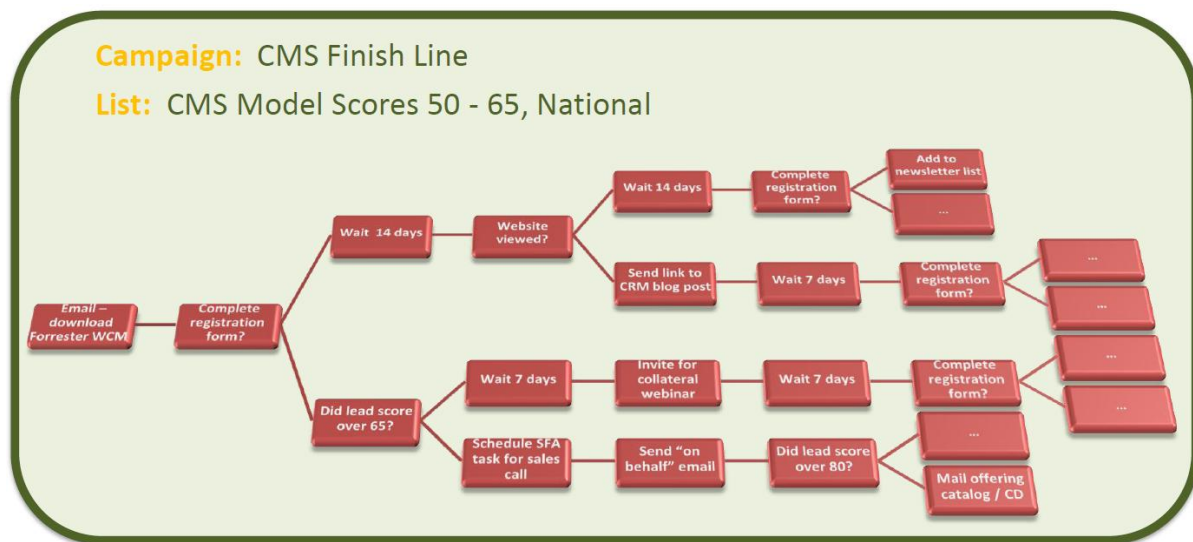
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Demand Generation Overview

Although demand generation platforms started to come into their own nearly two years ago, the space didn't really start to take off until this past year. While some of this can certainly be tied to the economic downturn (a.k.a. burning pit of inferno) and the increased pressure to do more with less, it is also driven by the fact that the demand generation platforms have tapped into a latent pain in the marketing world – marketers are not technologists and overly complex tools have proven to be a barrier to engagement.

Check for updates @ <http://themarketingmojo.com/2009/04/14/rankings-demand-generation/>

Currently, all eyes are focused on the B2B and considered purchase markets. A lot of energy is being expended widening the engagement channel (e.g., SMS, RSS, SFA, mail drops, etc.) and improving nurturing / drip capabilities. For those unfamiliar with a drip campaign, essentially it is a branching decision tree whereby you can string together a series of treatments (or messages, or campaigns depending upon your lingo) based upon situational feedback.



From a short term perspective alone this coupling of capabilities is pretty provocative as it simply offers a better way of doing things than how most sales and marketing organizations operate today.

Where the real excitement lies, however, is over the long term how this refined way of operating can impact the thinking and approach of marketers. While the notion of flipping the funnel is well established, to this point there hasn't been a way to consistently translate it into activity. Resultantly, marketers have largely stuck to traditional approaches.

Campaigns have remained a top down affair. Start with a universe of prospects, and refine that down through suppressions and filters until you have a manageable target list that can be executed against. Performance is driven by playing the averages and pushing frequency.

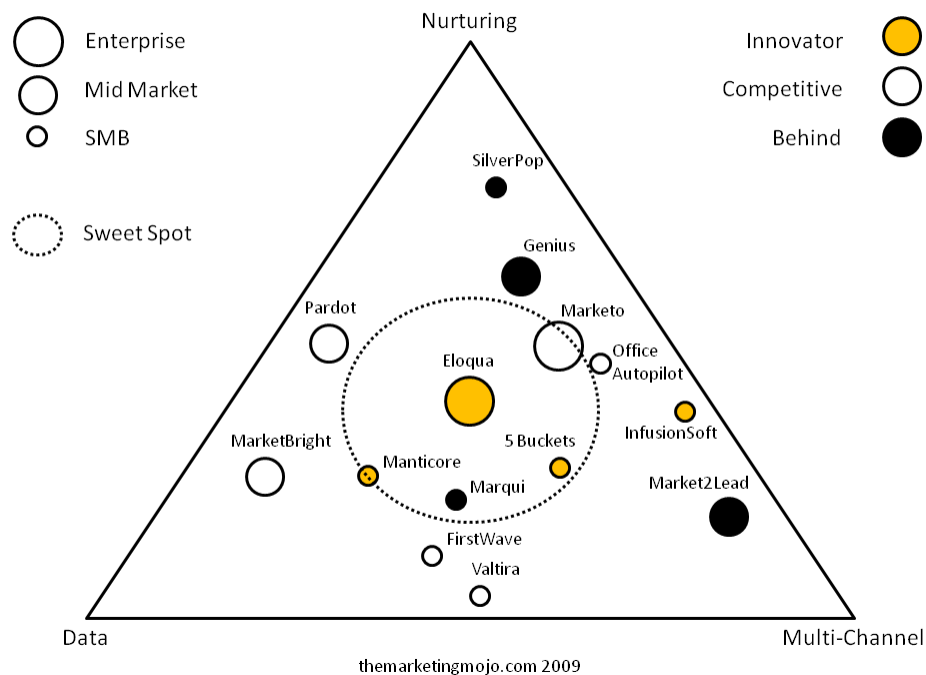
Demand gen campaigns are totally inverted. They are bottoms up, starting with a singular customer and then trying to walk them through the stages of their lifecycle. It's a totally different way of approaching the customer. To be successful a marketer must truly think like the customer, understand their pains, and layout a path of valuable engagements that deepen the relationship with the individual.

At the core, this is fundamentally what customer centric marketing is all about.

A byproduct to this of course will be the growth in demand for customer analytics. As marketers will come to find, it will be the analytics that arms them with the insights they need to relate to their audience. To draw an analogy you could imagine it's like trying to choose a restaurant for a friend. The more you know of that friends likes and dislikes the greater the probability you can recommend something to their liking.

In summary, if you are a B2B marketer or are focused on a considered purchase the answer is simple – **you need one of these platforms**. And even if you are not, the minimal investment represents an excellent opportunity to begin socializing customer centric marketing within your organization before the arrival of behavioral personalization makes it a requirement.

Capability Pyramid™



What separates the demand generation platforms from big brother marketing automation tools is their ability to put the power of technology directly in the hands of marketers while sacrificing as little functionality and stability as possible. The most important dimensions this can be analyzed on are their ability to nurture leads, execute multi-channel messaging, and leverage a data rich environment.

Nurturing – One of the central value propositions of the demand generation platforms is their ability to empower marketers to communicate unaided directly with customers. Whether presented as a visual workflow or a hierarchical choose your own ending, the platforms also enable marketers to craft multi-step dialogs where specific messages are delivered based upon past behavior.

Mutli-Channel – Building on nurturing, the platforms can also widen marketer’s reach. As more and more channel execution technologies like email (ubiquitous), messaging, search, mail drops, robo calls, etc. are integrated the marketer can reach the customer in a new way without engaging technologists.

Data – this is a bit of a catchall category that captures how firms interact with the data. This covers everything including their ability to: transform and cleanse data on the inbound; perform comprehensive segmentation and behavioral analysis; support complex, multi-product scoring models; and a robust technical architecture that enables scalability.

Vendor Summaries

Although some of the larger marketing automation vendors, namely Aprimo and Unica, have some demand generation capabilities their focus and strengths lie in other areas. For this reason we have concentrated on vendors who focus on the space and offer the most complete functionality.

Fun Facts

- Email address is pretty universally used as master key
 - Atlanta is home to 4 demand gen platforms
 - Typical startup capitalization runs about \$2 million

5 Buckets

5 Buckets may not be the most graphically pleasing option, but they do an excellent job on delivering on the critical features for a demand generation platform. They have a robust, open API model that enables them to easily integrate with a wide range of channel execution partners and they have a thoughtful campaign nurturing tool that is well integrated with Salesforce.com. On the whole, a well conceived product that is well worth checking out.

Eloqua

Demonstrates how a Saas platform can deliver enterprise class capabilities. Eloqua has the chops to compete with the big boys like Alterian and Unica, but also lead the way in the demand gen space offering visionary new products. If you can afford them, they are the Cadillac.

[FirstWave](#)

While FirstWave has had some solid showings, and has a decent client roster, but they appear to be running out of steam a little bit. They are a solid competitor who maybe also one getting ready to roll out some significant new features.

[Genius](#)

Genius' value proposition is really driven by their tight integration with Salesforce.com. While nearly all the demand gen tools offer some form of SFDC integration – that is how Genius differentiates. They have very weak analytical and campaign functionality, but are baked into SFDC. If your team loves SFDC and really are only looking to push limited email campaigns then Genius would be a good fit.

[InfusionSoft](#)

InfusionSoft's main differentiator is that they were one of the first vendors to offer drip functionality and they continue to be one of the best at it. If you have a small support team, but want to run complex programs they are a good choice.

Something worthy of a callout... [InfusionSoft 2x Guarantee](#). If you don't double you sales within the first year they refund your money.

[LoopFuse](#)

One attractive feature of LoopFuse is that they've done a great job embracing the open source market with available integrations for both SugarCRM and Drupal. They recently shored up their financial standing by taking on an A round of funding that should help them accelerate the growth of their customer base and platform. The next few quarters will be instrumental for them.

[Manticore Technology](#)

Manticore has done a great job of differentiating themselves by offering the most complete scoring system in the space. Most vendors limit a lead to a single score where Manticore enables the development of multiple scores tied to specific offerings. For example, one client may score highly for a light truck, and another for a motorcycle. They are both good leads, but need to be handled differently. If you have a diverse product offering then Manticore is a very good fit.

[Market2Lead](#)

Market2Lead has a vertical specialization in high tech. Functionality wise they do some interesting things around routing rules and advanced scoring. Their architecture, however, is in issue – with it being entirely based upon servlets they will have performance issues as load and data size scales.

[MarketBright](#)

MarketBright does a good job at combining WCM with deep analytics, but their core campaign functionality isn't as rich as some competitors. While they are good at importing inbound datasets, they aren't as fluid with integrating with the SFA's. If data analysis is important for you then they should be on your list.

[Marketo](#)

What sits at the crossroads between SFA and marketing automation? A hybrid offering like Marketo which is tailored to driving b2b2 prospects through the funnel using both sales and marketing tactics. Tailored to mid-sized enterprises, or divisions, they have a well executed program. One thing that bodes well for Marketo is its founders, who were some of the original brains behind the success of Epiphany.

[Marqui](#)

How does a small laggard fall into the sweet spot? By demonstrating some real intellectual leadership, building a nice product, but then running out of cash and going out of business. Technically Marqui was purchased by another software firm in the fall of '08, but it still is going to take some time to see if they can rise from the ashes. Keep your eyes on them, but for the time being they are to be avoided.

[NurtureMyLeads](#)

NurtureMyLeads has a strong story about the strategies related to the demand generation platform, but they still need some more time to fully build out all the functionality.

[Office Autopilot](#)

Office AutoPilot is targeted on smaller organizations that need a blended SFA / automation tool. A bit campy ("Easy on Sunday Morning" anyone?), but they do cover a lot of the basics. A couple of nice features are their ability to push voice messages. On the whole OAP is a great offering for an individual proprietorship.

[Pardot](#)

Pardot may not lead the way in any specific functionality, but on the whole they pull together a very robust offering. When combined with an intelligent pricing strategy they make a compelling offer that should be part of your consideration set.

[Silver Pop \(Vtrenz\)](#)

Formerly vTrenz, SilverPop takes a very lead centric perspective. While the recent acquisition by SilverPop certainly ups their email delivery capabilities, their limited channel integration, and lack of effective inbound data management doesn't bode well for their offering.

[Valtira](#)

Valtira has an interesting, integrated platform, but relies on partners for most of the heavy lifting related to demand generation. What they do offer, however, is a centralized keying system that allows for coordination of activities across the partner components. They also specialize in a WCM like system used to host the actual site, and in turn drive content personalization based upon their consolidated persona. Finally, they offer a pretty competitive price.

About the author:



Marcus Tewksbury is a respected author, speaker, and thought leader on optimizing marketing organizations to most efficiently, and effectively create value added experiences for high worth customers; a process that he has termed Customer Relationship Marketing, or CRM(arketing).

This approach to CRM, is not new, but rather a throwback to its roots when it was about strategically structuring the marketing organization to maximize the likelihood of a positive customer experience and analyzing their life cycle to determine the lowest friction, and highest return activities as opposed to the call centers and data aggregation, research efforts it is now commonly associated with.

Largely, the credit for his thoughts and approaches are owed to the numerous clients whose problems Marcus has helped solve over the years. Some of whom, include: Coach, Baxter Healthcare, JP Morgan, Hot Topic, Hallmark, Walgreens, Wal-Mart, Tower Records, and KAO Campgrounds.

Over the years, a number of Marcus' thought leadership pieces have been cited or presented in mainstream or industry events and articles, specifically with the likes of DWI Review, NCDM, CRM World, DMA Monthly, and The Economist. Marcus has also lectured at the Purdue's Krannert Graduate School of Management, Georgetown's McDonough School of Business, and at Loyola University.