Closed-Loop Marketing:
A Recipe for Growth

Using Marketing Automation to Align Your Efforts
and Maximize Revenue

John Stone | CEO, Revenue Architects

About the Author

John brings 30 years of experience working at the intersection of sales, marketing and technology. Before founding Revenue Architects, he held senior positions with IBM, Unisys, AT&T, Viant Corporation and The PA Consulting Group. He is an active speaker, and John launched the first Inbound Marketing Summit.

*Research shows that up to **80%** of the B2B buying process takes place **before the customer engages with Sales**.*
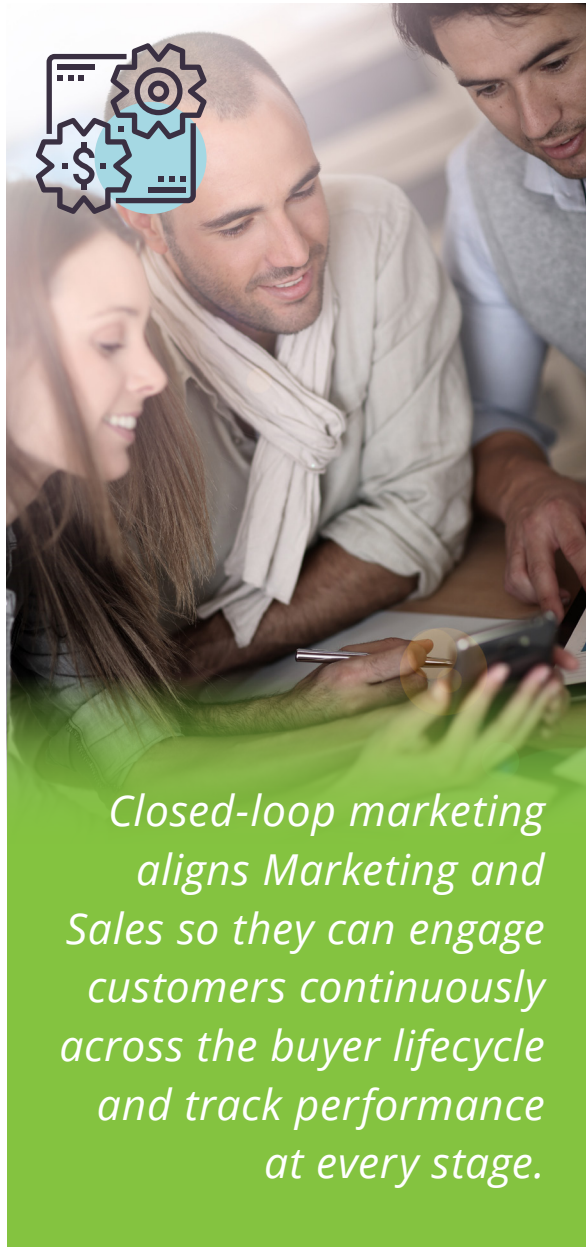
The Internet has transformed the customer journey, blurring the lines between marketing and sales. Buyers are more self-directed, using the web to learn, compare products and services, and "self-sell." Research shows that up to 80% of the B2B buying process takes place before the customer engages with Sales.

Winning customers is a team effort.

The traditional role of Marketing is demand generation, while the traditional role of Sales is managing opportunities, closing deals and managing client relationships. We also know that sales teams are responsible for actively prospecting and generating leads while marketing teams must work to nurture existing opportunities.

So, how do companies adapt to the new buy-sell model?

1. **Integrate marketing and sales with a closed-loop process.** Orchestrate tailored and personalized content and experiences at each stage of the buying process, and convert and nurture leads to close sales.

Closed-loop marketing aligns Marketing and Sales so they can engage customers continuously across the buyer lifecycle and track performance at every stage.

2. **Capture data end to end with closed-loop reporting.** Capture and track information about each prospect's interactions and preferences to increase engagement and determine what's working and what's not.

Closed-loop marketing aligns Marketing and Sales so they can engage accounts and customers continuously across the buyer lifecycle and track performance at every stage.

If you're not currently operating a closed-loop marketing strategy, then this is your guide to help you get started.
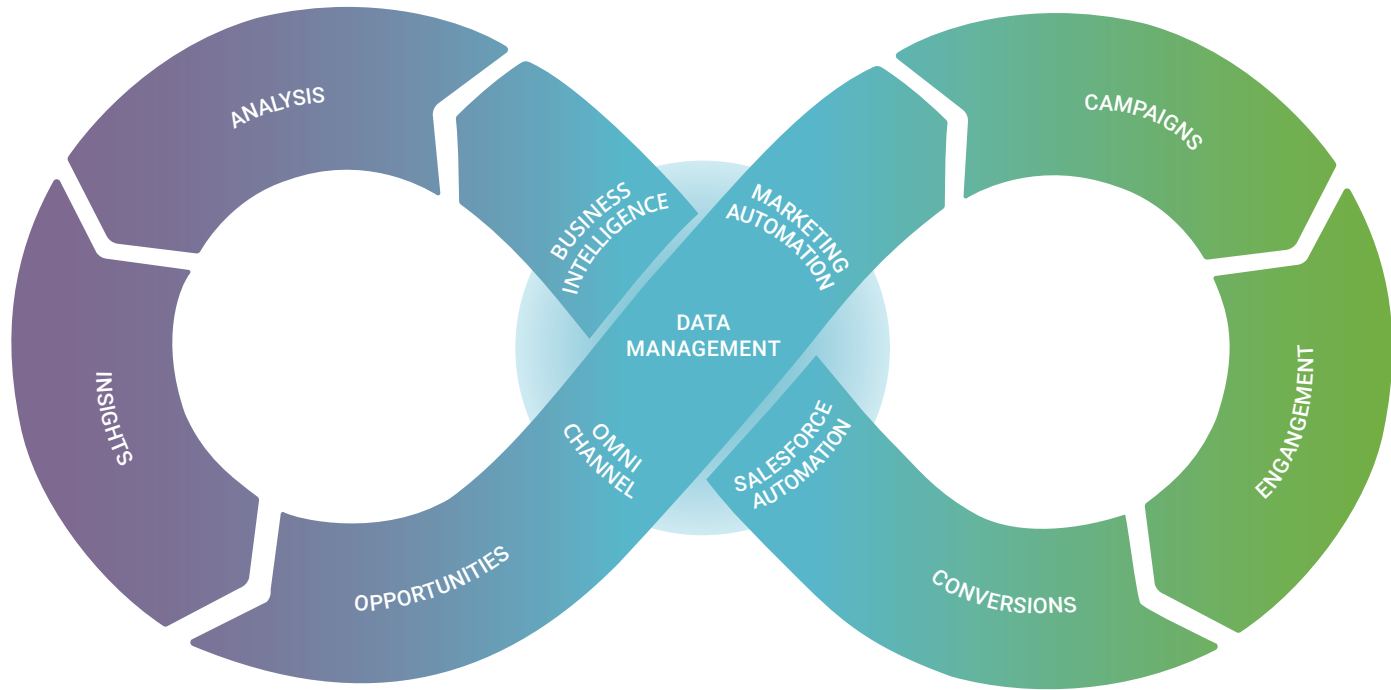
The Closed-Loop Marketing Architecture

Closed-loop marketing has been applied extensively in the pharmaceutical industry to help track the results of multi-channel marketing programs and optimize marketing strategies. Yet, "closing the loop" is applicable in any industry that pursues a considered sales process. It is especially impactful in structuring the B2B marketing and sales process.

To apply these principles, we developed the *Closed-Loop Marketing Architecture* – a blueprint that describes the continuous process of engaging customers with targeted, tailored experiences and tracking results across the marketing and sales funnel.

Closed-Loop Marketing Architecture

The continuous process of engaging customers with targeted, tailored experiences and tracking results across the marketing and sales funnel.

The diagram labels: ANALYSIS, BUSINESS INTELLIGENCE, MARKETING AUTOMATION, CAMPAIGNS, DATA MANAGEMENT, INSIGHTS, OMNI CHANNEL, SALESFORCE AUTOMATION, ENGAGEMENT, OPPORTUNITIES, CONVERSIONS

The Misalignment Problem

Closed-loop marketing requires that Marketing and Sales collaborate; however, these two teams are often at odds with one another. Sales teams complain about poor lead quality, and marketing teams complain that sales teams don't follow up adequately on the leads they're given.

Disconnects happen when marketing and sales teams do not have a shared revenue goal and when the criteria or the volumes required for marketing-qualified leads (MQLs) and sales-qualified leads (SQLs) are not

*Companies with integrated marketing and sales operations generate **208% more revenue** from marketing than those without effective marketing-sales processes.*

– *[MarketingProfs](#)*

well understood. To address this, a "service level agreement" between Marketing and Sales will specify these critical metrics and help define what constitutes a lead that is qualified for a sales follow-up.

According to MarketingProfs, companies with integrated marketing and sales operations generate 208% more revenue from marketing than those without effective marketing-sales processes.

The Closed-Loop Marketing Technology Stack

In order to make closed-loop marketing work, you need a technology stack with data management at the core. Closed-loop marketing involves actively capturing information across the continuous loop to understand customer engagement, optimize campaigns and track performance. Data-driven insights support predictive targeting and messaging at different points along the buyer journey, and performance data helps focus marketing and sales investments.

There are five systems that compose a closed-loop marketing "technology stack":

- **Data Management:** Collecting, storing and indexing the data from interactions and systems to inform strategies, attributions and customer experience.

Closed-Loop Marketing Technology Stack
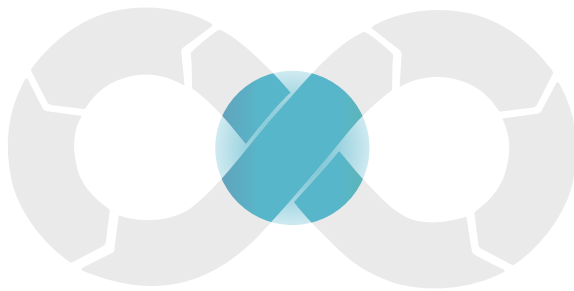
Data Management

Omni-Channel

Marketing Automation

Salesforce Automation

Business Intelligence

- **Omni-Channel:** Websites and media channels to reach customers across touchpoints to deliver tailored and personalized experiences.

- **Marketing Automation:** Orchestration of campaigns (landing pages, forms, workflows, etc.) using automated tools and business rules to engage audience segments.

- **Salesforce Automation:** Enabling customer management and sales effectiveness by tracking and managing customer relationships, accounts and opportunities.

- **Business Intelligence:** Tools for analytics, closed-loop reporting and tracking for more predictive decision-making and attributions.

These five technologies are pivotal in optimizing the sales and marketing processes and can often be managed in a single, integrated technology platform, like SharpSpring.

You can use this technology stack to progressively capture customer demographic and profile information, account-level data, and customer behaviors. Armed with performance data about leads as they move through the lifecycle, you can track which campaigns and content are working, and which first touches and last touches are driving lead conversion. This helps you achieve marketing revenue attribution.

By tracking customer interactions and progressively capturing customer information, you can build a 360-degree view of each customer and close the loop by tracking the impact that your marketing campaigns have on actual revenue results.

The Closed-Loop Marketing Process

A closed-loop marketing process continuously engages customers along the buying lifecycle. The process uses insights from data to fine-tune segmentation and craft personalized marketing and sales experiences. By tracking customer interactions and progressively capturing customer information, you can build a 360-degree view of each customer and close the loop by tracking the impact that your marketing campaigns have on actual revenue results.

Once you've got the right platform in place, the closed-loop process involves six continuous stages:

- **Analysis:** Identify campaign results and trends across the customer lifecycle. Produce behavioral and predictive insights by reviewing data, campaign performance and metrics.

- **Insights:** Develop and enhance customer profiles incorporating personas, segmentation and key value metrics to drive audience strategies.

- **Opportunities:** Prioritize opportunities and mobilize resources to develop and plan marketing and sales programs.

- **Campaigns:** Create and launch omni-channel campaigns to deliver relevant experiences and communications throughout the customer lifecycle.

Stages of the Closed-Loop Marketing Process
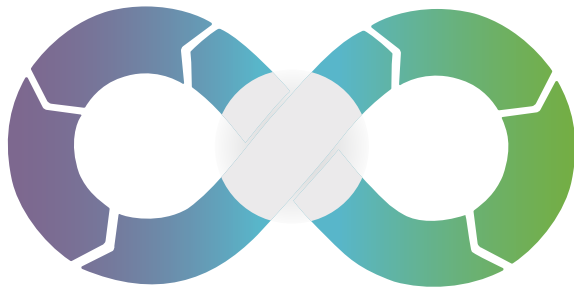
Analysis

Insights

Opportunities

Campaigns

Engagement

Conversions

- **Engagement:** Deliver experiences that will engage customers, develop and nurture leads, and capture behaviors and profile information across channels.

- **Conversions:** Drive micro conversions (actions that are MQI – marketing-qualified inquiries) and macro conversions (opt-ins that are MQLs) in the marketing-sales funnel by responding to customer behaviors and key performance indicators.

Closed-Loop Reporting

The closed-loop marketing cycle involves micro conversions (e.g., clicks and form-fills) and macro conversions (e.g., requests for demos, sales meetings, sales). By capturing marketing and sales data continuously, you can tailor experiences and accelerate conversions end to end across the customer lifecycle, and you can track the life of the lead, its velocity and its ultimate revenue impact.

To understand what is working in the marketing mix – and do more of it – you can track activities including conversions across marketing and sales interactions and attribute revenue to the right mix of marketing programs and campaigns. For example, you may apply the attribution to the first touch, the last touch or a blend of the various campaign touches throughout the cycle.

It's critical to align closed-loop reporting around your defined stages, such as those shown in the marketing-sales funnel:

MARKETING

Visitor

Subscriber

Lead

MQL — **Marketing Qualified Lead**
(determined by objective behaviors and lead scoring)

SALES

SAL — **Sales Accepted Lead**
(based on agreed criteria between Sales & Marketing)

SQL — **Sales Qualified Lead**
(evaluated using agreed deal qualification rules)

SQP — **Sales Qualified Prospect**
(firm implementation date or compelling event)

SCD — **Sales Closed Deal**

It is helpful to capture data across the lifecycle and timestamp all customer interactions and stage entrance/exit, so you can measure stage velocity and support metrics and reporting with hard evidence.

> *There are a few easy questions you can ask yourself to better understand how you're communicating with leads throughout each stage of the funnel.*

Here are some easy questions you can ask yourself to better understand how you're communicating with leads throughout each stage of the funnel – and what you could be doing differently:

✓ For the Visitor or Subscriber, how are you accessing the target market and driving awareness and visibility (e.g. visitor source, paid, organic, social media, direct)?

✓ To drive lead conversions, how are you engaging the mix of paid, owned and earned media (content clicked, form completion, opt-in, campaign first touch, last touch)?

✓ For SQLs, what content and experiences are you using to help convert sales (sales touches and activities, time to follow-up, stage migration, pricing, discounting, time in stage, forecast accuracy, revenue)?

Align Your Efforts, Maximize Results

When you "close the loop," you capture vital data across every stage of the marketing and sales funnel, which allows you to create more targeted messaging, allocate budgets to the best campaigns, and accurately attribute revenue to marketing and sales activities. Closed-loop marketing focuses on maximizing the impact of your resources by integrating and aligning marketing and sales – an essential part of any revenue growth strategy.

See how adding marketing automation to your agency's services can drive revenue from existing clients and help you add new ones. Schedule a demo with a partnerships specialist to chat about your specific needs.

Get a Demo

SharpSpring

SharpSpring is the marketing automation platform of choice for more than 1,000 digital marketing agencies and their 5,000+ clients. Since 2014, SharpSpring has provided its powerful marketing automation solution to businesses around the globe. In the short time since its inception, the company has gained significant market share from industry leaders with its competitive pricing, agency-focused business model, and robust platform.

Visit www.sharpspring.com for more information.

REVENUE ARCHITECTS

Revenue Architects is a marketing and sales consulting agency helping businesses achieve sustainable revenue growth. We work with a range of clients, including SMB and enterprise clients in B2B, financial services and health sectors. Services include Revenue Strategy to define differentiated growth plans, Revenue Systems to build the platform for marketing and sales and Revenue Programs to design and launch integrated customer acquisition campaigns.

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