Cast A Wide Behavioral Data Net To Fuel AI-Powered B2B Marketing

Pay More Attention To What Your Prospects Do Than To What They Say

by Steven Casey
March 30, 2021

Why Read This Report

AI has quickly progressed from a promising enabling technology found in a few B2B applications to a staple of modern marketing technology (martech). To succeed with AI-powered marketing, B2B marketers should focus on the actions of their customers, from their first anonymous interaction to post-sale product usage, and analyze signals from as many first- and third-party sources as they can gather. This report guides B2B marketers on investing in a robust data management solution, whether internally developed or a packaged application such as a customer data platform (CDP), to improve the quality of that data and create a single source of truth for marketing and sales.

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by Steven Casey
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B2B Marketing's AI-Powered Future Is Closer Than You Think

In just a few short years, AI has evolved from an enabling technology embedded in a handful of B2B applications into an essential factor of modern B2B martech stacks. For good reason: AI helps B2B organizations optimize customer experience by automating resource-intensive processes, improving insight generation, and making more and better decisions. "Marketing is evolving closer to that Holy Grail of full automation — with dynamic segments and triggered activation," said Kelvin Gee, senior director of modern marketing business transformation at Oracle. To compete effectively in this brave new world of machine-driven marketing, all B2B marketers need to:

- **Ramp up their deployment of new AI-powered functionality.** The value of AI first became evident in focused channel-specific applications at the beginning and the end of the buying cycle, such as programmatic advertising and sales enablement automation. AI-powered functionality is now becoming capable of orchestrating complex omnichannel engagement across the buying cycle — in many of the leading CDPs, account-based marketing (ABM) platforms, and marketing automation platforms (see Figure 1).

- **Deliver the experiences that modern B2B buyers expect.** Today's buyers have been trained by their experiences as consumers to expect similarly compelling and relevant engagement from B2B companies. The only way to achieve the level of real-time personalization that modern B2B buyers demand — across a lengthy buying cycle and at an enterprise scale — is through the use of AI-powered solutions.

- **Collect more and better data.** AI-powered systems require accurate, updated, and complete data, preferably as detailed and diverse as possible, from a wide variety of new (or underutilized) first- and third-party sources. This will be a significant challenge for many organizations: In the Forrester Analytics Business Technographics® Marketing Survey, 2020, 32% of global marketing decision-makers said that managing data quality was one of their organization's biggest challenges with marketing programs.

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FIGURE 1 AI Is Now Part Of Applications Deployed Across The B2B Buying Cycle
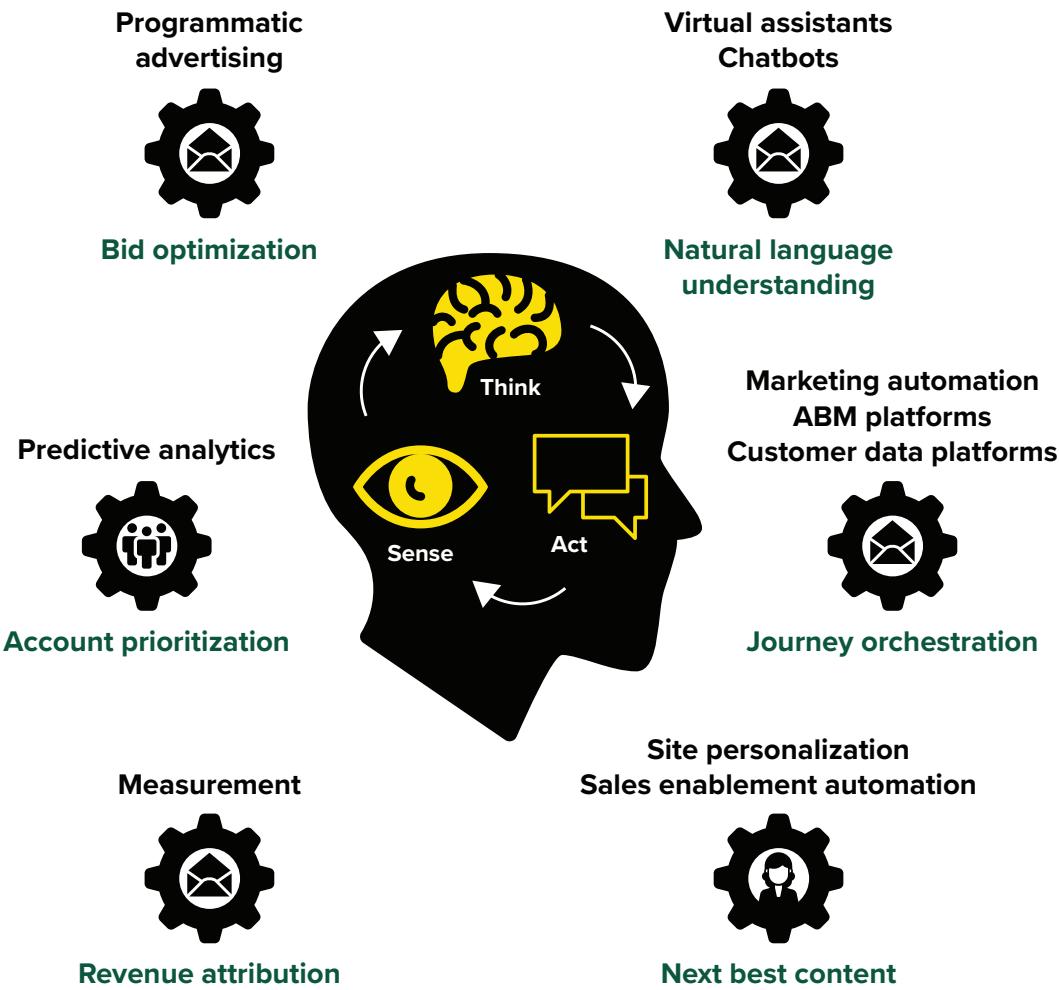
Behavioral Data Is The Premium Fuel For Your AI Engine

Like the gasoline that fuels a car's internal combustion engine, the data that fuels an AI-powered marketing engine comes in many different forms and grades. B2B marketers need to think beyond the typical first- or third-party distinction to understand the significant differences in how data is sourced and refined (see Figure 2):

- **Assigned data describes static attributes.** Firmographics and demographics are among the most familiar forms of assigned data because they denote such things as a company's name/physical address/revenue or a person's name/title/contact details. B2B marketers typically use these relatively static attributes for basic segmentation, to enrich and qualify leads, or to help develop

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an ideal customer profile and total addressable market. As an input to AI-powered marketing, assigned data is a necessary element — to establish identity, for example — but is insufficient for deep personalization or nuanced recommendations.

- **Observed data describes behaviors.** Observed data captures two related forms of behavior: actions and statements. The actions most relevant for B2B marketers are the wide range of ways that customers, prospects, and influencers engage with websites, email, advertising, peers, and sellers throughout the purchase lifecycle. Observed data also includes account-level actions such as mergers and acquisitions, spend history and patterns, geographic expansion, and executive changes. The most valuable statements for B2B marketers are those that customers make regarding their needs, plans, preferences, experiences, and sentiment. Observed behavioral data is the most powerful and abundant form of fuel for AI-powered marketing: It represents the collective customer experience from which to generate the most relevant next best recommendations or triggered activation.

- **Inferred data describes a hypothesis drawn from assigned and/or observed data.** One of the most popular forms of inferred data is "intent," which refers to an inference drawn from behavioral data: that a person consuming content online is in a buying journey. This is a simple, intuitive inference, but it has also proven to be a critical factor for prioritizing and personalizing marketing and sales engagement. "By adding intent data to our targeting process, we get two or three times as much engagement from our outbound campaigns, and we save money," said Michael Madden, head of commercial pipeline at Marketo, an Adobe company. In Forrester's Q2 2019 Global B2B Marketing Account-Based Engagement Panel Survey, B2B marketers said the use of behavioral intelligence was one of the top two practices having the most positive impact since they adopted ABM. In an AI-powered marketing system, inferences are typically expressed as predictions of the propensity of an account to purchase — and can serve as an additional input to next best recommendations or triggered activation.

FIGURE 2 Three Key Data Types Fuel The AI-Powered Marketing Engine

	Assigned	**Observed**	**Inferred**
Primary source	• Third-party	• First-party	• Third-party
Primary use	• Basic segmentation; scoring; personalization • Identity resolution	• Detailed segmentation • Dynamic scoring • Deep personalization	• Scoring • Prioritization
Rate of change	• Infrequent	• Frequent	• Frequent
Examples	• Firmographics: company size; employees; location • Demographics: contact name; phone number; email address • Device ID	• Statements regarding needs; plans; preferences; experiences • Actions such as website visits; content consumption; campaign engagement; sales interactions	• Propensity to buy • Expected timing for purchase • Churn-risk rating

Three Keys To Success With Behavioral Data

B2B marketers should follow Forrester's three keys to success and develop a holistic and comprehensive behavioral data strategy.

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Statements can be the most valuable of all behavioral signals. Definitive declarations of buying intent, such as when a prospect posts in social media that they're planning to buy or completes a "have sales contact me" form on your website, are the unicorns of behavioral data. They're valuable but rare, or they come too late in the buying journey to be a significant contributor to successful marketing. So don't tie the success of your marketing plans to finding more unicorns. B2B marketers: Focus your behavioral data strategy on the actions of your target accounts and contacts, from first anonymous touchpoint interaction to post-sale product usage, expansion, and renewal.

Cast A Wide Net To Capture As Many Behavioral Signals As Possible

To create the most comprehensive view of buyers' behavior — and feed the creation of the most accurate and relevant AI-powered experiences — B2B marketers need to collect signals from numerous sources. "In a perfect world, you'd have three, four, or five different feeds of behavioral data," said Paul Green, director of marketing technologies at Extreme Networks. B2B marketers typically source this data from (see Figure 3):

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- **An expanding array of third-party providers.** Pioneering companies such as Bombora helped establish the category of third-party behavioral data, and the company's methodology of monitoring content consumption in a publisher network has become a de facto standard in B2B marketing. But vendors such as 6Sense, Demandbase, G2, Spiceworks, TechTarget, and ZoomInfo now offer a plethora of alternative approaches. They're sourcing insights from customers' behaviors in their publishing networks or communities, on business sites across the open web, and in the "digital exhaust" from engagement channels such as programmatic advertising.

- **Provider-unique signals.** Many of these data solutions also offer an expanded and more granular set of behavioral signals through the services they offer. "By analyzing, in aggregate, the activity of Spiceworks Community members and the businesses they represent, we're advising technology brands on how to prioritize the businesses showing purchase-level intent. We assess intent levels through the content that users consume and a variety of actions they take, such as usage of propriety tools, community and brand engagement, and training modules that technology buyers leverage to improve their skills," said Jason Gladu, director of lead generation and partner management at Spiceworks. "Because readers opt in to view our content, we can provide marketers with detailed contact-level intent data," said John Steinart, CMO at TechTarget.

- **First-party systems across your enterprise.** The behavioral data that B2B marketers can collect from core systems of engagement and insight — CRM, marketing automation, ABM platforms, sales enablement, site and content analytics, and advertising — is invaluable. But don't forget to add data from other relevant systems across your enterprise, such as customer service, enterprise resource planning, finance, and loyalty solutions. Product usage data is another signal to prompt personalized outreach to deliver an upsell/cross-sell offer or to prevent churn.

FIGURE 3 B2B Marketers Have Access To A Wide Range Of Behavioral Data Sources
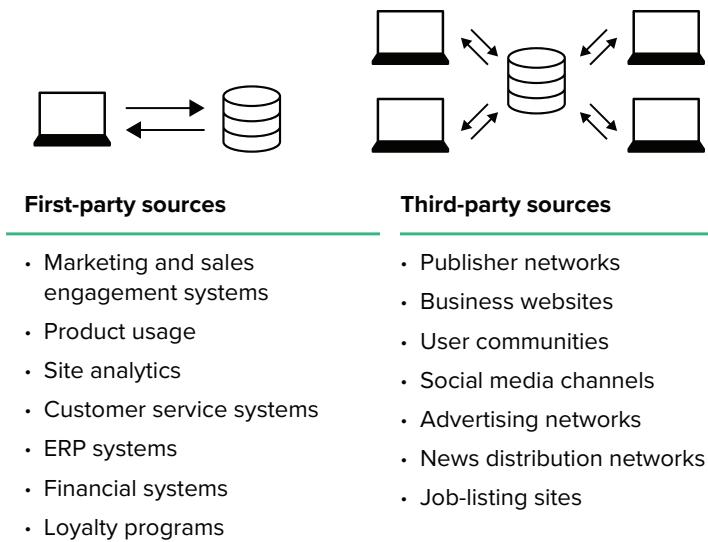
First-party sources

- Marketing and sales engagement systems
- Product usage
- Site analytics
- Customer service systems
- ERP systems
- Financial systems
- Loyalty programs

Third-party sources

- Publisher networks
- Business websites
- User communities
- Social media channels
- Advertising networks
- News distribution networks
- Job-listing sites

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Create A Single Source Of Truth

Collecting data from so many silos creates a significant data integration and management challenge. B2B marketers should strongly consider investing in an internally developed data management solution or a packaged application such as a CDP to not only cleanse, deduplicate, and normalize their customer data but also create unified profiles that incorporate all the assigned, observed, and inferred data available on target and existing accounts and contacts. Creating a single source of truth for buyers' behavior also enables B2B marketers to:

- **Stitch together anonymous and known activity.** Most B2B CDPs can connect behavioral data from anonymous accounts or contacts to known profiles once they reveal who they are. Marketers building their own data management solution may need to add an identity resolution application to achieve this goal. It's worth the effort. Gaining a more complete picture of the buyer journey enables the creation of more relevant and contextual experiences throughout it.

- **Improve alignment and coordination with sales.** "Capturing all the behavioral engagement data being created in the field — by both customers and sellers — enables marketers and sellers to partner more effectively and help the buyer make a better buying decision," said John Evarts, COO/CFO at Mediafly. Kristi Perdue Hinkle, CMO at Vaporstream, said that capturing and sharing customer engagement (behavioral) data has been the key to eliminating the inefficient hard handoff between marketing and sales at her company, "Now that both sides know what the other is responsible for and doing, sales is willing to keep marketing involved with prospects even after they've taken the lead on an opportunity."

Survey Your Sources, Prove It Before You Start, And Skip The Jargon

B2B marketers: To take advantage of — or optimize your use of — the new AI-powered functionality in your martech and sales tech ecosystem:

- **Take stock of your current and desired behavioral data sources.** To improve the likelihood of success in deploying behavioral data more broadly into existing and new marketing and sales motions, start by taking an inventory of your current data sources. Then identify any gaps or unmet needs that may exist now or surface when you activate new AI-powered applications, and build a comprehensive roadmap to achieve your specific business goals and objectives.

- **Prove your case before rolling it out more broadly.** "Before we committed to adding behavioral data to our existing workflows, we worked with the vendor to gather historical data on closed won and closed lost accounts to prove we could provide similarly meaningful insights to our internal customers in sales when they engaged with new prospects," said Marketo's Madden. "Once they saw the data, we had their buy-in and support from the start."

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- **Give your pilot project a name.** "One of the best bits of advice I ever got was to avoid the vendor tech speak and create a brand name for our first behavioral data project," said Extreme Networks' Green. "Our internal customers in sales and channel and product don't give a hoot about AI or data types, and management only cares about results. It was much more natural for all of us to get on the same page by simply talking about what we were doing with Project Orion to optimize results."

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